

THE SINO-JAPANESE NEGOTIATIONS
OF 1915

Japanese and Chinese Documents and
Chinese Official Statement

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CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE
DIVISION OF INTERNATIONAL LAW
PAMPHLET NO. 45

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Pamphlet Series of the
Carnegie Endowment for International Peace
Division of International Law
No. 45

THE SINO-JAPANESE NEGOTIATIONS OF 1915

Japanese and Chinese Documents and
Chinese Official Statement

WASHINGTON
PUBLISHED BY THE ENDOWMENT
1921

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NOTE

A Conference on the Limitation of Armament was called on August 11, 1921, by the Government of the United States, to meet in Washington on November 11, 1921, the third anniversary of the signing of the armistice between the victorious Allied and Associated Powers and Germany.

The representatives of the Powers originally invited to the Conference were the British Empire, France, Italy, and Japan, for the consideration of the question of the limitation of armament, and China for the discussion of Pacific and Far Eastern Questions. Later, representatives of Belgium, the Netherlands and Portugal, were invited to take part in the discussion of questions concerning the Pacific.

The tentative program agreed upon embraces the following subjects:

Limitation of Armament

1. Limitation of naval armament, under which shall be discussed:
 - (a) Basis of limitation.
 - (b) Extent.
 - (c) Fulfillment.
2. Rules for control of new agencies of warfare.
3. Limitation of land armament.

Pacific and Far Eastern Questions

1. Questions relating to China.

First: Principles to be applied.

Second: Application.

Subjects:

- (a) Territorial integrity.
- (b) Administrative integrity.
- (c) Open door—equality of commercial and industrial opportunity.
- (d) Concessions, monopolies or preferential economic privileges.
- (e) Development of railways, including plans relating to Chinese Eastern Railway.
- (f) Preferential railroad rates.
- (g) Status of existing commitments.

2. Siberia (similar headings).
3. Mandated islands (unless questions earlier settled).
Electrical communications in the Pacific.

Under the heading of "Status of Existing Commitments" it is expected that opportunity will be afforded to consider and to reach an understanding with respect to unsettled questions involving the nature and scope of commitments under which claims of rights may hereafter be asserted.

In the belief that the dissemination of information regarding the status of armaments, the collection of official documents throwing light upon the situation in the Pacific, and the furnishing of accurate accounts of the issues involved in some of the more important problems confronting the Conference, would render a service to the public and perhaps even to the delegates to the Conference, the Carnegie Endowment for International Peace has undertaken the preparation and publication of a series of pamphlets of which the present pamphlet is one. The sources of the Japanese and Chinese Documents and the Chinese Official Statement concerning the Sino-Japanese Negotiations of 1915 are indicated in the body of the work.

The meeting of so many nations in conference, following upon the close of a great war, is in itself an event of no mean importance. The holding of a conference upon the limitation of armament in succession to the First Hague Peace Conference called to consider the burden of armaments and the means for its decrease, with the possibility of an agreement in conference upon some of the questions of international import in addition to armaments, is an indication that the world is returning to "normalcy" and turning to the experience of The Hague.

That the Conference may be successful in all the phases of its program should be the desire of men and women of good-will in all parts of the world.

JAMES BROWN SCOTT,
Director.

WASHINGTON, D. C.,
October 10, 1921.

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The Sino-Japanese Negotiations of 1915

JAPANESE AND CHINESE DOCUMENTS

I. Instructions given by Baron Kato to Mr. Hioki; Handed in Tokyo, December 3, 1914

[JAPANESE]

In order to provide for the readjustment of affairs consequent on the Japan-German war and for the purpose of ensuring a lasting peace in the Far East by strengthening the position of the Empire, the Imperial Government have resolved to approach the Chinese Government with a view to conclude treaties and agreements mainly along the lines laid down in the first four Groups of the appended proposals. Of these, the first Group relates to the settlement of the Shantung question, while the second Group has for its chief aim the defining of Japan's position in South Manchuria and Eastern Inner Mongolia, that is to say, securing at this time from the Chinese Government full recognition of Japan's natural position in these regions, absence of which has hitherto been the cause for various questions tending to estrange the feelings of the two peoples towards each other. The object of the third Group is to safeguard the best interest of the Han-Yeh-Ping Company, with which Japanese capitalists are closely identified. It will thus be seen that there is nothing especially new in our proposals embodied in the foregoing three Groups, while as regards the fourth Group, it is only intended to emphasize the principle of China's territorial integrity, which has so often been declared by the Imperial Government.

Believing it absolutely essential, for strengthening Japan's position in Eastern Asia as well as for preservation of the general interests of that region, to

The Japanese and Chinese documents and the Chinese Official Statement printed herein are the official English translations published by the Japanese and Chinese Governments in 1915 under the respective titles of *Documents regarding the Negotiations between Japan and China, 1915*; and *Japan's Demands, Official Statement by the Chinese Government respecting the Sino-Japanese Negotiations now brought to a conclusion by China's Compliance with the Terms of Japan's Ultimatum Delivered on May 7, 1915, with Accompanying Documents* (reprinted from the Peking Gazette, May 14, 1915); *The Chino-Japanese Treaties and Annexes* (reprinted from the Peking Gazette, May 27, 1915). Where the same documents have been published by both Governments the two versions are here arranged in parallel columns. Certain minor editorial changes, particularly in the order of the documents, have been necessary in thus combining them, but the texts of the documents appear as in the original publications.—EDITOR'S NOTE.

secure China's adherence to the foregoing proposals, the Imperial Government are determined to attain this end by all means within their power. You are, therefore, requested to use your best endeavour in the conduct of the negotiations, which are hereby placed in your hands.

As regards the proposals contained in the fifth Group, they are presented as the wishes of the Imperial Government. The matters which are dealt with under this category are entirely different in character from those which are included in the first four Groups. An adjustment, at this time, of these matters, some of which have been pending between the two countries, being nevertheless highly desirable for the advancement of the friendly relations between Japan and China as well as for safeguarding their common interests, you are also requested to exercise your best efforts to have our wishes carried out.

It is very likely that in the course of these negotiations the Chinese Government desire to find out the attitude of the Imperial Government on the question of the disposition of the leased territory of Kiaochou Bay. If the Chinese Government will accept our proposals as above-stated, the Imperial Government may, with due regard to the principle of China's territorial integrity and in the interest of the friendship of the two countries, well consider the question with a view to restoring the said territory to China, in the event of Japan's being given free hand in the disposition thereof as the result of the coming peace conference between Japan and Germany. As, however, it will be absolutely necessary, in restoring the said territory to China, to lay certain conditions such as the opening of the territory for foreign trade, establishment of a Japanese settlement, etc., you will ask for further instructions when you propose to declare to the Chinese Government the willingness of the Imperial Government to consider the question.

I avail, &c.

Japan's Original Demands. Translation of Documents handed to His Excellency the President, Yuan Shih Kai, by His Excellency Mr. Hioki, the Japanese Minister, on January 18, 1915.

[JAPANESE]

GROUP I.

The Japanese Government and the Chinese Government, being desirous to maintain the general peace in the

[CHINESE]

I

The Japanese Government and the Chinese Government being desirous of maintaining the general peace in

Far East and to strengthen the relations of amity and good neighbourhood existing between the two countries, agree to the following articles:

ARTICLE I. The Chinese Government engage to give full assent to all matters that the Japanese Government may hereafter agree with the German Government respecting the disposition of all the rights, interests and concessions, which, in virtue of treaties or otherwise, Germany possesses *vis-à-vis* China in relation to the Province of Shantung.

ART. II. The Chinese Government engage that, within the Province of Shantung or along its coast, no territory or island will be ceded or leased to any other Power, under any pretext whatever.

ART. III. The Chinese Government agree to Japan's building a railway connecting Chefoo or Lungkow with the Kiaochou-Tsinanfu Railway.

ART. IV. The Chinese Government engage to open of their own accord, as soon as possible, certain important cities and towns in the Province of Shantung for the residence and commerce of foreigners. The places to be so opened shall be decided upon in a separate agreement.

GROUP II.

The Japanese Government and the Chinese Government, in view of the fact that the Chinese Government has always recognized the predominant

Eastern Asia and further strengthening the friendly relations and good neighborhood existing between the two nations agree to the following articles:

ARTICLE 1. The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests and concessions, which Germany, by virtue of treaties or otherwise, possesses in relation to the Province of Shantung.

ART. 2. The Chinese Government engages that within the Province of Shantung and along its coast no territory or island will be ceded or leased to a third Power under any pretext.

ART. 3. The Chinese Government consents to Japan's building a railway from Chefoo or Lungkow to join the Kiaochou-Tsinanfu Railway.

ART. 4. The Chinese Government engages, in the interest of trade and for the residence of foreigners, to open by herself as soon as possible certain important cities and towns in the Province of Shantung as Commercial Ports. What places shall be opened are to be jointly decided upon in a separate agreement.

II

The Japanese Government and the Chinese Government, since the Chinese Government has always acknowledged the special position enjoyed by

position of Japan in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

ARTICLE I. The two Contracting Parties mutually agree that the term of the lease of Port Arthur and Dairen and the term respecting the South Manchuria Railway and the Antung-Mukden Railway shall be extended to a further period of 99 years respectively.

ART. II. The Japanese subjects shall be permitted in South Manchuria and Eastern Inner Mongolia to lease or own land required either for erecting buildings for various commercial and industrial uses or for farming.

ART. III. The Japanese subjects shall have liberty to enter, reside and travel in South Manchuria and Eastern Inner Mongolia, and to carry on business of various kinds—commercial, industrial and otherwise.

ART. IV. The Chinese Government grant to the Japanese subjects the right of mining in South Manchuria and Eastern Inner Mongolia. As regards the mines to be worked, they shall be decided upon in a separate agreement.

ART. V. The Chinese Government agree that the consent of the Japanese Government shall be obtained in advance, (1) whenever it is proposed to grant to other nationals the right of constructing a railway or to obtain from other nationals the supply of

Japan in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

ARTICLE 1. The two Contracting Parties mutually agree that the term of lease of Port Arthur and Dalny and the term of lease of the South Manchurian Railway and the Antung-Mukden Railway shall be extended to the period of 99 years.

ART. 2. Japanese subjects in South Manchuria and Eastern Inner Mongolia shall have the right to lease or own land required either for erecting suitable buildings for trade and manufacture or for farming.

ART. 3. Japanese subjects shall be free to reside and travel in South Manchuria and Eastern Inner Mongolia and to engage in business and in manufacture of any kind whatsoever.

ART. 4. The Chinese Government agrees to grant to Japanese subjects the right of opening the mines in South Manchuria and Eastern Inner Mongolia. As regards what mines are to be opened they shall be decided upon jointly.

ART. 5. The Chinese Government agrees that in respect of the (two) cases mentioned herein below the Japanese Government's consent shall be first obtained before action is taken:

(a) Whenever permission is granted to the subjects of a third Power to build a railway or to make a loan with a third Power for the purpose of

funds for constructing a railway in South Manchuria and Eastern Inner Mongolia, and (2) whenever a loan is to be made with any other Power, under security of the taxes of South Manchuria and Eastern Inner Mongolia.

ART. VI. The Chinese Government engage that whenever the Chinese Government need the service of political, financial or military advisers or instructors in South Manchuria or in Eastern Inner Mongolia, Japan shall first be consulted.

ART. VII. The Chinese Government agree that the control and management of the Kirin-Changchun Railway shall be handed over to Japan for a term of 99 years dating from the signing of this Treaty.

GROUP III.

The Japanese Government and the Chinese Government, having regard to the close relations existing between Japanese capitalists and the Han-Yeh-Ping Company and desiring to promote the common interests of the two nations, agree to the following articles:

ARTICLE I. The two Contracting Parties mutually agree that when the opportune moment arrives the Han-Yeh-Ping Company shall be made a joint concern of the two nations, and that, without the consent of the Japanese Government, the Chinese Government shall not dispose or permit the Company to dispose of any right or property of the Company.

building a railway in South Manchuria and Eastern Inner Mongolia.

(b) Whenever a loan is to be made with a third Power pledging the local taxes of South Manchuria and Eastern Inner Mongolia as security.

ART. 6. The Chinese Government agrees that if the Chinese Government employs political, financial or military advisers or instructors in South Manchuria or Eastern Inner Mongolia, the Japanese Government shall first be consulted.

ART. 7. The Chinese Government agrees that the control and management of the Kirin-Changchun Railway shall be handed over to the Japanese Government for a term of 99 years dating from the signing of this Agreement.

III

The Japanese Government and the Chinese Government, seeing that Japanese financiers and the Hanyeh-ping Co., have close relations with each other at present and desiring that the common interests of the two nations shall be advanced, agree to the following articles:

ARTICLE 1. The two Contracting Parties mutually agree that when the opportune moment arrives the Hanyehping Company shall be made a joint concern of the two nations and they further agree that without the previous consent of Japan, China shall not by her own act dispose of the right and property of whatever nature of the said Company nor cause the said Company to dispose freely of the same.

ART. II. The Chinese Government engage that, as a necessary measure for protection of the invested interests of Japanese capitalists, no mines in the neighbourhood of those owned by the Han-Yeh-Ping Company shall be permitted, without the consent of the said Company, to be worked by anyone other than the said Company; and further that whenever it is proposed to take any other measure which may likely affect the interests of the said Company directly or indirectly, the consent of the said Company shall first be obtained.

GROUP IV.

The Japanese Government and the Chinese Government, with the object of effectively preserving the territorial integrity of China, agree to the following article:

The Chinese Government engage not to cede or lease to any other Power any harbour or bay or any island along the coast of China.

GROUP V.

1. The Chinese Central Government to engage influential Japanese as political, financial and military advisers;

2. The Chinese Government to grant the Japanese hospitals, temples and schools in the interior of China the right to own land;

3. In the face of many police disputes which have hitherto arisen between Japan and China, causing no little annoyance, the police in localities

ART. 2. The Chinese Government agrees that all mines in the neighbourhood of those owned by the Hanyeh-ping Company shall not be permitted, without the consent of the said Company, to be worked by other persons outside of the said Company; and further agrees that if it is desired to carry out any undertaking which, it is apprehended, may directly or indirectly affect the interests of the said Company, the consent of the said Company shall first be obtained.

IV

The Japanese Government and the Chinese Government with the object of effectively preserving the territorial integrity of China agree to the following special articles:

The Chinese Government engages not to cede or lease to a third Power any harbour or bay or island along the coast of China.

V

ARTICLE 1. The Chinese Central Government shall employ influential Japanese as advisers in political, financial and military affairs.

ART. 2. Japanese hospitals, churches and schools in the interior of China shall be granted the right of owning land.

ART. 3. Inasmuch as the Japanese Government and the Chinese Government have had many cases of dispute between Japanese and Chinese police to settle cases which caused no little misunderstanding, it is for this

(in China), where such arrangements are necessary, to be placed under joint Japanese and Chinese administration, or Japanese to be employed in police offices in such localities, so as to help at the same time the improvement of the Chinese Police Service;

4. China to obtain from Japan supply of a certain quantity of arms, or to establish an arsenal in China under joint Japanese and Chinese management and to be supplied with experts and materials from Japan;

5. In order to help the development of the Nanchang-Kiukiang Railway, with which Japanese capitalists are so closely identified, and with due regard to the negotiations which have for years been pending between Japan and China in relation to the railway question in South China, China to agree to give to Japan the right of constructing a railway to connect Wuchang with the Kiukiang-Nanchang line, and also the railways between Nanchang and Hangchow and between Nanchang and Chaochou;

6. In view of the relations between the Province of Fukien and Formosa and of the agreement respecting the non-alienation of that province, Japan to be consulted first whenever foreign capital is needed in connection with the railways, mines and harbour works (including dockyards) in the Province of Fukien;

reason necessary that the police departments of important places (in China shall be jointly administered by Japanese and Chinese or that the police departments of these places shall employ numerous Japanese, so that they may at the same time help to plan for the improvement of the Chinese Police Service.

ART. 4. China shall purchase from Japan a fixed amount of munitions of war (say 50 per cent or more) of what is needed by the Chinese Government or that there shall be established in China a Sino-Japanese jointly worked arsenal. Japanese technical experts are to be employed and Japanese material to be purchased.

ART. 5. China agrees to grant Japan the right of constructing a railway connecting Wuchang and Kiukiang and Nanchang, another line between Nanchang and Hangchow, and another between Nanchang and Chaochou.

ART. 6. If China needs foreign capital to work mines, build railways and construct harbour-works (including dock-yards) in the Province of Fukien, Japan shall be first consulted.

7. China to grant to Japanese subjects the right of preaching in China.

ART. 7. China agrees that Japanese subjects shall have the right of missionary propaganda¹ in China.

II. Counter Project of the Chinese Government, Handed to Mr. Hioki on February 12, 1915

[JAPANESE]

GROUP I.

The Governments of China and Japan, being sincerely desirous to maintain the general peace of the Far East and further strengthen the friendly relations and good neighbourhood subsisting between the two countries, have concluded the following articles:

ARTICLE I. The Chinese Government declare that they will give full assent to the dispositions that may hereafter be agreed upon between the Japanese and German Governments in regard to all interests which Germany possesses in the Province of Shantung by virtue of treaties or recorded cases (excepting the provisions of Section I of the Convention for the Lease of Kiaochou to Germany).

The Japanese Government declare that, when the assent of the Chinese Government in regard to the interests above referred to has been given, Japan will restore Kiaochou to China, and they recognize the right of the Chinese Government to participate in the negotiations mentioned in the preceding clause between the Japanese and German Governments.

ART. II. The Japanese Government agree that they will be entirely responsible in regard to indemnification for losses of all kinds occasioned by Japan's military operations in Kiaochou; and although the Customs, telegraphs and posts within the leased territory of Kiaochou will, pending the restoration of Kiaochou, be administered for the present as heretofore, the military railways and telegraphs which were constructed for the use of the Japanese troops will be immediately removed; and the Japanese forces remaining outside the leased territory of Kiaochou will first be withdrawn and those remaining within the said territory will be completely withdrawn at the time of the restoration of Kiaochou to China.

ART. III. In case the Chinese Government propose themselves to construct a railway from Chefoo or Lungkou to connect with the Kiaochou-Tsinan Railway and raise a foreign loan for the purpose, they agree, provided Germany is willing to abandon the right to furnish capital for the Chefoo-Weihsien line, to negotiate first with Japanese capitalists.

¹Refers to preaching Buddhism.

ART. IV. The Chinese Government agree, for purposes of foreign trade, to select suitable places in the Province of Shantung and open them as marts; and the regulations relating to such marts will be determined by China herself.

GROUP II.

The Japanese Government declare that they will always respect the complete sovereignty of China in the Three Eastern Provinces, and accordingly the Chinese and Japanese Governments have, with a view to the development of their commercial relations in the southern portion of the Three Eastern Provinces, agreed upon the following articles:

ARTICLE I. The Chinese Government agree that the term of lease of Port Arthur and Dairen shall be extended to ninety-nine years, expiring in the eighty-sixth year of the Republic or in the year 1997 of the Christian era, and that the time for the restoration of the entire South Manchuria Railway to China shall be extended to ninety-nine years, falling due in the ninetieth year of the Republic or in the year 2001 of the Christian era, and further that in all other matters the provisions of the respective original treaties shall be adhered to.

ART. II. The Chinese Government consent, upon the expiration of the term of the Japanese management of the Antung-Mukden Railway, to negotiate with Japan respecting the manner of extending the said term and to continue to carry into effect all other provisions according to Art. VI of the Annex to the Agreement relating to Manchuria concluded between Japan and China.

ART. III. The Chinese Government shall select places, in addition to the marts already opened, in the Three Eastern Provinces and of their own accord open them to trade, and after fixing the boundary lines, permit merchants of Japan and other countries freely to reside, trade, and carry on commercial and industrial business of all kinds, and also to rent land, after fair negotiation with the respective owners of such land with regard to rental, for the erection of buildings required for commercial and industrial purposes. Such merchants, however, shall equally pay taxes and contributions imposed upon them.

ART. IV. If, not later than one full year from the day on which the present Agreement is signed, any Japanese syndicate desires to engage in mining in the southern portion of the Three Eastern Provinces, the Chinese Government shall consent to grant to such syndicate for the term of one year only the privilege of prospecting mines in that region with the exception of those on which prospecting or mining has already been commenced. Of the mines which have been examined, permission shall be granted to work one-half the number according to the provisions of the Chinese Mining Law; and the remaining mines shall be disposed of by China herself.

ART. V. The Chinese Government agree that if it is found necessary hereafter to construct railways in the southern portion of the Three Eastern Pro-

vinces, they will construct them with capital provided by China herself; and if foreign capital is required, they will first negotiate for a loan with Japanese capitalists.

ART. VI. The Chinese Government declare that if it is proposed hereafter to employ foreign advisers in regard to political, financial, and military affairs of the southern portion of the Three Eastern Provinces, preference will be given to Japanese.

ART. VII. The existing treaties between China and Japan in regard to the Three Eastern Provinces shall remain in force as heretofore except as otherwise provided for in the present Agreement.

GROUP III.

NOTES TO BE EXCHANGED RESPECTING THE HAN-YEH-PING COMPANY

As the Han-Yeh-Ping Company, being a Chinese commercial concern, has undoubtedly, according to the laws of China, the right to preserve its property and conduct and supervise its business, the Chinese Government do not find it proper to take measure immediately in its behalf without first consulting the Company. If, however, the Company desires on a future occasion to come to agreement with Japanese capitalists for the joint management of its present business, the Chinese Government will give permission in so far as such step does not conflict with the laws of the country.

III. The Amended Japanese proposals, presented to the Chinese Government by Mr. Hioki on April 26, 1915.

[JAPANESE]

GROUP I.

The Japanese Government and the Chinese Government, being desirous to maintain the general peace in the Far East and to further strengthen the relations of amity and good neighbourhood existing between the two countries, agree to the following articles:

Japan's "Revised" Demands on China, Twenty-four in all, presented April 26, 1915.

[CHINESE]¹

GROUP I.

The Japanese Government and the Chinese Government, being desirous of maintaining the general peace in Eastern Asia and further strengthening the friendly relations and good neighbourhood existing between the two nations, agree to the following articles:

¹The Chinese version of this document is preceded by the following remark: "The revised list of articles is a Chinese translation of the Japanese text. It is hereby declared that when a final decision is reached, there shall be revision of the wording of the text."—ED.

ARTICLE I. The Chinese Government engage to give full assent to all matters that the Japanese Government may hereafter agree with the German Government respecting the disposition of all the rights, interests and concessions, which, in virtue of treaties or otherwise, Germany possesses *vis-a-vis* China in relation to the Province of Shantung.

ART. II. (An exchange of notes may be acceptable). The Chinese Government declare that, within the Province of Shantung or along its coast, no territory or island will be ceded or leased to any other Power, under any pretext whatever.

ART. III. The Chinese Government engage that, in case they undertake the construction of a railway connecting Chefoo or Lungkow with the Kiaochou-Tsinanfu Railway, they shall, in the event of Germany's surrendering her right of providing capital for the Chefoo-Weihsien railway line, enter into negotiations with Japanese capitalists for the purpose of financing the said undertaking.

ART. IV. The Chinese Government engage to open of their own accord, as soon as possible, certain important cities and towns in the Province of Shantung for the residence and commerce of foreigners.

(Supplementary exchange of Notes)

The places to be opened and the regulation therefor shall be determined by the Chinese Government after consultation with the Japanese Minister.

ARTICLE 1. The Chinese Government engages to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government, relating to the disposition of all rights, interests and concessions, which Germany, by virtue of treaties or otherwise, possesses in relation to the Province of Shantung.

ART. 2. (Changed into an exchange of notes.)

The Chinese Government declares that within the Province of Shantung and along its coast no territory or island will be ceded or leased to any Power under any pretext.

ART. 3 The Chinese Government consents that as regards the railway to be built by China herself from Chefoo or Lungkow to connect with the Kiaochow-Tsinanfu railway, if Germany is willing to abandon the privilege of financing the Chefoo-Weihsien line, China will approach Japanese capitalists to negotiate for a loan.

ART. 4. The Chinese Government engages, in the interest of trade and for the residence of foreigners, to open by China herself as soon as possible certain suitable places in the Province of Shantung as Commercial Ports.

(Supplementary exchange of notes)

The places which ought to be opened are to be chosen, and the regulations are to be drafted, by the Chinese Government, but the Japanese Minister must be consulted before making a decision.

GROUP II.

The Japanese Government and the Chinese Government, with the object of developing the economic relations of the two countries in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

ARTICLE I. The two Contracting Parties mutually agree that the term of the lease of Port Arthur and Dairen and the term respecting the South Manchuria Railway and the Antung-Mukden Railway shall be extended to a period of 99 years respectively.

(Supplementary exchange of Notes)

The term of the lease of Port Arthur and Dairen shall expire in the 86th year of the Republic or 1997 A. D. The Date for reversion to China of the South Manchuria Railway shall fall due in the 91st year of the Republic or 2002 A. D. The clause of Article 12 of the original Chinese Eastern Railway Agreement, that after 36 years from the commencement of traffic, China may take over the line on payment, etc., is hereby cancelled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic, or 2007 A. D.

ART. II. The Japanese subjects shall be permitted in South Manchuria to lease or purchase land required either for erecting buildings for various commercial and industrial uses or for agricultural purposes.

ART. III. The Japanese subjects shall have liberty to enter, reside and travel in South Manchuria, and to

GROUP II.

The Japanese Government and the Chinese Government, with a view to developing their economic relations in South Manchuria and Eastern Inner Mongolia, agree to the following articles:

ARTICLE 1. The two Contracting Powers mutually agree that the term of lease of Port Arthur and Dalny and the terms of the South Manchuria Railway and the Antung-Mukden Railway shall be extended to 99 years.

(Supplementary exchange of notes)

The term of lease of Port Arthur and Dalny shall expire in the 86th year of the Republic or 1907. The date for restoring the South Manchurian Railway to China shall fall due in the 91st year of the Republic or 2002. Article 12 in the original South Manchurian Railway Agreement that it may be redeemed by China after 36 years after the traffic is opened is hereby cancelled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic or 2007.

ART. 2. Japanese subjects in South Manchuria may lease or purchase the necessary land for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises.

ART. 3. Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business

carry on business of various kinds—commercial, industrial and otherwise.

Referring to the present and preceding two Articles, the Japanese subjects shall produce before the Chinese local authorities the passports duly issued, and be registered by the said authorities. They shall also observe the Chinese police laws or regulations approved by the Japanese consuls and pay to the Chinese authorities the taxes approved by the Japanese consuls. In civil and criminal suits, the Japanese consul, where a Japanese subject is the defendant, and the Chinese official, where a Chinese citizen is the defendant, shall respectively try and decide the case, both the Japanese consul and the Chinese official being permitted each to send his agent to attend the trial of the other and watch proceedings; provided that in a civil suit concerning land between Japanese and Chinese, the case shall be tried and decided jointly by the Japanese Consul and the Chinese official according to the laws and local usages of China; provided further that in the future when the judicial system in the said region shall have been completely reformed, all civil and criminal suits involving Japanese subjects shall be wholly tried and decided by the Chinese law courts.

ART. IV. (An exchange of notes may be acceptable). The Chinese Government permit the Japanese subjects immediately to investigate, select, and then prospect for and open mines at the following places in South Manchuria, excepting those mining areas

and manufacture of any kind whatsoever.

ART. 3a. The Japanese subjects referred to in the preceding two articles, besides being required to register with the local authorities pass-ports which they must procure under the existing regulations, shall also submit to police laws and ordinances and tax regulations, which are approved by the Japanese consul. Civil and criminal cases in which the defendants are Japanese shall be tried and adjudicated by the Japanese consul; those in which the defendants are Chinese shall be tried and adjudicated by Chinese Authorities. In either case an officer can be deputed to the court to attend the proceedings. But mixed civil cases between Chinese and Japanese relating to land shall be tried and adjudicated by delegates of both nations conjointly in accordance with Chinese law and local usage. When the judicial system in the said region is completely reformed, all civil and criminal cases concerning Japanese subjects shall be tried entirely by Chinese law courts.

ART. 4. (Changed to an exchange of notes.)

The Chinese Government agrees that Japanese subjects shall be permitted forthwith to investigate, select, and then prospect for and open mines at the following places in South

which have already been prospected for or worked; provided that until the Mining Law becomes definitely operative practices at present in force shall be followed.

PROVINCE OF FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Sha Sung Kang	Hai-lung	"
T'ieh Ch'ang	T'ung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan	From Liao-yeng region	Iron to Pen-hsi

PROVINCE OF KIRIN

(Southern portion)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	Coal & Iron
Kang Yao	Kirin	Coal
Chia P'i Kou	Hua-tien	Gold

ART. V. (An exchange of notes may be acceptable). The Chinese Government agree that they will hereafter build railways in South Manchuria with funds from Chinese sources, and if foreign capital is required preference shall be given to Japanese capitalists; and that in case a foreign loan is to be made on the security of the taxes of South Manchuria (excepting the customs and salt revenues which are already made the securities for loans contracted by the Central Government) preference shall be given to Japanese capitalists.

ART. VI. (An exchange of notes may be acceptable). The Chinese

Manchuria, apart from those mining areas in which mines are being prospected for or worked; until the Mining Ordinance is definitely settled methods at present in force shall be followed.

PROVINCE OF FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Sha Sung Kang	Hai-lung	"
T'ieh Ch'ang	T'ung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan	From Liao-yang region	Iron to Pen-hsi

PROVINCE OF KIRIN

(Southern portion)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	C. & I.
Kang Yao	Chilin(Kirin)	Coal
Chia P'i Kou	Hua-tien	Gold

ART. 5. (Changed to an exchange of notes.)

The Chinese Government declares that China will hereafter provide funds for building railways in South Manchuria; if foreign capital is required, the Chinese Government agrees to negotiate for the loan with Japanese capitalists first.

ART. 5a. (Changed to an exchange of notes.)

The Chinese Government agrees that hereafter, when a foreign loan is to be made on the security of the taxes of South Manchuria (not including customs and salt revenue on the security of which loans have already been made by the Central Government), it will negotiate for the loan with Japanese capitalists first.

ART. 6. (Changed to an exchange of notes.)

Government declare that whenever in future the Chinese Government propose to employ foreign political, financial, military or police advisers or instructors in South Manchuria, Japanese will be employed first.

ART. VII. The Chinese Government agree to make speedily a fundamental revision of the Kirin-Changchun Railway Loan Agreement, taking as a standard the provisions in railway loan agreements made heretofore between China and foreign capitalists. If, in future, more advantageous terms than those in the existing railway loan agreements are granted to foreign capitalists in connection with railway loans, the above-mentioned Kirin-Changchun Railway Agreement shall, if so desired by Japan, again be revised.

ART. VIII. All existing treaties between Japan and China relating to Manchuria shall, except as otherwise provided in this Convention, remain in force.

MATTERS RELATING TO EASTERN INNER MONGOLIA

1. The Chinese Government agree that whenever in future a foreign loan is to be made on the security of the taxes of Eastern Inner Mongolia, the Japanese Government will be consulted first.

2. The Chinese Government agree that in future they will build railways in Eastern Inner Mongolia with funds from Chinese sources, and if foreign capital is required the Japanese Government will be consulted first.

The Chinese Government declares that hereafter if foreign advisers or instructors on political, financial, military or police matters, are to be employed in South Manchuria, Japanese will be employed first.

ART. 7. The Chinese Government agrees speedily to make a fundamental revision of the Kirin-Changchun Railway Loan Agreement, taking as a standard the provisions in railway loan agreements made heretofore between China and foreign financiers. If, in future, more advantageous terms than those in existing railway loan agreements are granted to foreign financiers, in connection with railway loans, the above agreement shall again be revised in accordance with Japan's wishes.

Chinese Counter-proposal to Article 7

All existing treaties between China and Japan relating to Manchuria shall, except where otherwise provided for by this Convention, remain in force.

MATTERS RELATING TO EASTERN INNER MONGOLIA

1. The Chinese Government agrees that hereafter when a foreign loan is to be made on the security of the taxes of Eastern Inner Mongolia, China must negotiate with the Japanese Government first.

2. The Chinese Government agrees that China will herself provide funds for building the railways in Eastern Inner Mongolia; if foreign capital is required, she must negotiate with Japanese Government first.

3. The Chinese Government agree to open of their own accord, as soon as possible, suitable places in Eastern Inner Mongolia for the residence and trade of foreigners. The places to be so opened and the regulations therefor shall be determined by the Chinese Government after consultation with the Japanese Minister.

4. In the event of Japanese and Chinese desiring jointly to undertake agricultural enterprises and industries auxiliary thereto in Eastern Inner Mongolia, the Chinese Government shall give their permission.

GROUP III.

In view of the close relations between Japan and the Han-Yeh-Ping Company, the Chinese Government shall approve the agreement that may hereafter be reached by those interested in the said Company with Japanese capitalists for its joint undertaking, nor shall the Chinese Government confiscate the Company, nor shall, without consent of the Japanese capitalists, nationalize it, nor shall permit it to contract any foreign loan other than Japanese.

GROUP IV.

The Chinese Government to make the following declaration:

The Chinese Government will not cede or lease to any other Power any bay, harbour or island along the coast of China.

3. The Chinese Government agrees, in the interest of trade and for the residence of foreigners, to open by China herself, as soon as possible, certain suitable places in Eastern Inner Mongolia as Commercial Ports. The places which ought to be opened are to be chosen, and the regulations are to be drafted, by the Chinese Government, but the Japanese Minister must be consulted before making a decision.

4. In the event of Japanese and Chinese desiring jointly to undertake agricultural enterprises and industries incidental thereto, the Chinese Government shall give its permission.

GROUP III.

The relations between Japan and the Hanyehping Company being very intimate, if those interested in said Company come to an agreement with the Japanese capitalists for cooperation, the Chinese Government shall forthwith give its consent thereto. The Chinese Government further agrees that, without the consent of the Japanese capitalists, China will not convert the Company into a state enterprise, nor confiscate it, nor cause it to borrow and use foreign capital other than Japanese.

GROUP IV.

China to give a pronouncement by herself in accordance with the following principle:

No bay, harbour, or island along the coast of China may be ceded or leased to any Power.

GROUP V.

1. (Notes to be exchanged).

The Chinese Government shall not permit any Power to construct a dockyard, a coaling station for military use, or a naval base or to set up any other military establishment on the coast of Fukien Province, nor shall they allow any like establishment to be set up with any foreign capital on the said coast.

(Notes to be exchanged)

The Chinese Government agrees that no nation whatever is to be permitted to construct, on the coast of Fukien Province, a dock-yard, a coaling station for military use, or naval base: nor to be authorized to set up any other military establishment. The Chinese Government further agrees not to use foreign capital for setting up the above-mentioned construction or establishment.

2. (Notes to be exchanged).

(Notes to be exchanged)

A

As regards the right of financing a railway to connect Wuchang with the Kiukiang-Nanchang Line, and the Nanchang-Hangchou and Nanchang-Chaochou railways, the Chinese Government shall either grant it to Japan, in case it is clearly ascertained that there is no objection on the part of any other foreign Power, or refrain from granting it to any other Power before the Japanese Government come to an understanding directly with the other Power which is interested in these railway schemes.

As regards the right of financing a railway from Wuchang to connect with the Kiukiang-Nanchang line, the Nanchang-Hangchow railway, and the Nanchang-Chanchow railway, if it is clearly ascertained that other Powers have no objection, China shall grant the said right to Japan.

B

As regards the right of financing a railway from Wuchang to connect with the Kiukiang-Nanchang railway, a railway from Nanchang to Hangchow and another from Nanchang to Chaochow, the Chinese Government shall not *grant* the said right to any *foreign Power* before Japan comes to an understanding with the other Power which is heretofore *interested* therein.

Mr. Lu, the Minister of Foreign Affairs, stated as follows:

3. (Mr. Lu, the Minister of Foreign Affairs of China, stated as follows):

a. The Chinese Government will, in case of necessity in future, employ Japanese advisers;

1. The Chinese Government shall, whenever, in future, it considers this step necessary, engage numerous Japanese advisers.

b. Whenever the Japanese subjects desire to lease or purchase land for the purpose of building schools and hospitals in the interior of China, the Chinese Government will permit them to do so;

c. Some day in future when a suitable opportunity arrives, the Chinese Government will send military officers to Japan in order to make arrangements directly with the military authorities of Japan either for purchase of arms from Japan or for establishing an arsenal in China under joint Japanese and Chinese management.

4. (Mr. Hioki, the Japanese Minister, stated as follows):

As regards the question of the right of preaching of Japanese in China, it will be left for future discussion.

5. The proposal relating to the police administration. (withdrawn.)

2. Whenever, in future, Japanese subjects desire to lease or purchase land in the interior of China for establishing schools or hospitals, the Chinese Government shall forthwith give its consent thereto.

3. When a suitable opportunity arises in future, the Chinese Government will send military officers to Japan to negotiate with Japanese military authorities the matter of purchasing arms or that of establishing a joint arsenal.

Mr. Hioki, the Japanese Minister, stated as follows:

As relates to the question of the right of missionary propaganda, the same shall be taken up again for negotiation in future.

The Japanese Government engage that, if the Chinese Government accept the Japanese revised proposals as above stated, the leased territory of Kiaochou Bay shall be returned to China, in the event of the said territory being left to the free disposal of Japan as the result of the peace conference upon conclusion of the present war, on the following conditions:

1. To open the entire territory as a commercial port;
2. To permit a Japanese settlement to be established in the area to be designated by Japan;

3. To permit an international settlement to be established, if desired by the Powers;

4. Arrangements to be made between Japan and China, before the restoration of the territory to China, regarding the disposition of the German establishments and with respect to the other conditions and procedures.¹

Memorandum read by the Minister of Foreign Affairs to Mr. Hioki, the Japanese Minister, at a Conference held at Wai Chiao Pu,

May 1, 1915

[CHINESE]

The list of demands which the Japanese Government first presented to the Chinese Government consists of five groups, the first relating to Shantung, the second relating to South Manchuria and Eastern Inner Mongolia, the third relating to Hanyehping Company, the fourth asking for non-alienation of the coast of the country, and the fifth relating to the questions of national advisers, national police, national arms, missionary propaganda, Yangtse Valley railways, and Fukien Province. Out of profound regard for the intentions entertained by Japan, the Chinese Government took these momentous demands into grave and careful consideration and decided to negotiate with the Japanese Government frankly and sincerely what were possible to negotiate. This is a manifestation to Japan of the most profound regard which the Chinese Government entertains for the relations between the two nations.

GENUINE PROOF OF CHINA'S FRIENDSHIP

Ever since the opening of the negotiations China has been doing her best to hasten their progress holding as many as three conferences a week. As regards the articles in the second group, the Chinese Government, being disposed to allow the Japanese Government to develop the economic relations of the two

¹The following remark is appended to the Japanese version of this document: "At the time of the presentation of the above revised proposals, Mr. Hioki declared to the Chinese Government as follows:

"The wording or choice of terms and phrases adopted in the above project may be changed or amended at the time of its final redaction."—ED.

countries in South Manchuria, realizing that the Japanese Government attaches importance to its interests in that region, and wishing to meet the hope of Japan, made a painful effort, without hesitation, to agree to the extension of the 25-year lease of Port Arthur and Dalny, the 36-year period of the South Manchuria railway and the 15-year period of the Antung-Mukden railways, all to 99 years; and to abandon its own cherished hopes to regain control of these places and properties at the expiration of their respective original terms of lease. It cannot but be admitted that this is a most genuine proof of China's friendship for Japan.

As to the right of opening mines in South Manchuria, the Chinese Government has already agreed to permit Japanese to work mines within the mining areas designated by Japan. China has further agreed to give Japan a right of preference in the event of borrowing foreign capital for building railways or of making a loan on the security of the local taxes in South Manchuria. The question of revising the arrangement for the Kirin-Changchun railway has been settled in accordance with the proposal made by Japan. The Chinese Government has further agreed to employ Japanese first in the event of employing foreign advisers on political, military, financial and police matters.

CHINA'S FRANKNESS AND SINCERITY IN FACTS

Furthermore, the provision about the repurchase period in the South Manchurian railway was not mentioned in Japan's original proposal. Subsequently, the Japanese Government alleging that its meaning was not clear, asked China to cancel the provision altogether. Again, Japan at first demanded the right of Japanese to carry on farming in South Manchuria, but subsequently she considered the word "farming" was not broad enough and asked to replace it with the phrase "agricultural enterprises." To these requests the Chinese Government, though well aware that the proposed changes could only benefit Japan, still acceded without delay. This, too, is a proof of China's frankness and sincerity towards Japan.

As regards matters relating to Shantung the Chinese Government has agreed to a majority of the demands.

RESIDENCE IN SOUTH MANCHURIA

The question of inland residence in South Manchuria is, in the opinion of the Chinese Government, incompatible with the treaties China has entered into with Japan and other Powers, still the Chinese Government did its best to consider how it was possible to avoid that incompatibility. At first, China

suggested that the Chinese Authorities should have full rights of jurisdiction over Japanese settlers. Japan declined to agree to it. Thereupon China reconsidered the question and revised her counter-proposal five or six times, each time making some definite concession, and went so far as to agree that all civil and criminal cases between Chinese and Japanese should be arranged according to existing treaties. Only, cases relating to land or lease contracts were reserved to be adjudicated by Chinese Courts, as a mark of China's sovereignty over the region. This is another proof of China's readiness to concede as much as possible.

PECULIAR CONDITIONS IN EASTERN INNER MONGOLIA

Eastern Inner Mongolia is not an enlightened region as yet and the conditions existing there are entirely different from those prevailing in South Manchuria. The two places, therefore, cannot be considered in the same light. Accordingly, China agreed to open commercial marts first, in the interests of foreign trade.

SAFEGUARD FOR JAPANESE INTERESTS IN HANYEHPING

The Hanyehping Company mentioned in the third group is entirely a private company and the Chinese Government is precluded from interfering with it and negotiating with another government to make any disposal of the same as the Government likes, but having regard for the interests of the Japanese capitalists, the Chinese Government agreed that whenever, in future, the said company and the Japanese capitalists should arrive at a satisfactory arrangement for cooperation, China will give her assent thereto. Thus the interests of the Japanese capitalists are amply safeguarded.

GROUP IV

Although the demand in the fourth group asking for a declaration not to alienate China's coast is an infringement of her sovereign rights, yet the Chinese Government offered to make a voluntary pronouncement so far as it comports with China's sovereign rights. Thus, it is seen that the Chinese Government, in deference to the wishes of Japan, gave a most serious consideration even to those demands which gravely affects the sovereignty and territorial rights of China as well as the principle of equal opportunity and the treaties with foreign Powers. All this was a painful effort on the part of the Chinese Government to meet the situation—a fact of which the Japanese Government must be aware.

INCOMPATIBILITY OF GROUP V

As regard the demands in the fifth group, they all infringe China's sovereignty, the treaty rights of other Powers or the principle of equal opportunity. Although Japan did not indicate any difference between this group and the preceding four in the list which she presented to China in respect of their character, the Chinese Government, in view of their palpably objectionable features, persuaded itself that these could not have been intended by Japan as anything other than Japan's mere advice to China. Accordingly China has declared from the very beginning that while she entertains the most profound regard for Japan's wishes, she was unable to admit that any of these matters could be made the subject of an understanding with Japan. Much as she desired to pay regard to Japan's wishes, China cannot but respect her own sovereign rights and the existing treaties with other Powers. In order to be rid of the seed for future misunderstanding and to strengthen the basis of friendship, China was constrained to iterate the reasons for refusing to negotiate on any of the articles in the fifth group, yet in view of Japan's wishes China has expressed her readiness to state that no foreign money was borrowed to construct harbour work in Fukien Province. Thus it is clear that China went so far as to seek a solution for Japan of a question that really did not admit of negotiation. Was there, then, evasion on the part of China?

REPLY TO REVISED DEMANDS

Now, since the Japanese Government has presented a revised list of demands and declared at the same time, that it will restore the leased territory of Kiaochow, the Chinese Government reconsiders the whole question and herewith submits a new reply to the friendly Japanese Government.

In this reply the unsettled articles in the first group are stated again for discussion.

FURTHER CONCESSIONS

As regards the second group, those articles which have already been initialled are omitted. In connection with the question of inland residence the police regulation clause has been revised in a more restrictive sense. As for the trial of cases relating to land and lease contracts the Chinese Government now permits the Japanese Consul to send an officer to attend the proceedings.

Of the four demands in connection with that part of Eastern Inner Mongolia which is within the jurisdiction of South Manchuria and the Jehol intendancy, China agrees to three.

China, also, agrees to the articles relating to the Hanyehping Company as revised by Japan.

It is hoped that the Japanese Government will appreciate the conciliatory spirit of the Chinese Government in making this final concession and forthwith give her assent thereto.

JAPANESE FIRST TO PUBLISH DEMANDS

There is one more point. At the beginning of the present negotiations it was mutually agreed to observe secrecy but unfortunately a few days after the presentation of the demands by Japan an Osaka newspaper published an "Extra" giving the text of the demands. The foreign and the Chinese press has since been paying considerable attention to this question and frequently publishing pro-Chinese or pro-Japanese comments in order to call forth the World's conjecture—a matter which the Chinese Government deeply regrets.

The Chinese Government has never carried on any newspaper campaign and the Chinese Minister of Foreign Affairs has repeatedly declared it to the Japanese Minister.

In conclusion, the Chinese Government wishes to express its hope that the negotiations now pending between the two countries will soon come to an end and whatever misgivings foreign countries entertain toward the present situation may be quickly dispelled.

IV. The Final Amended Project of
the Chinese Government, handed
to Mr. Hioki on May 1, 1915.

[JAPANESE]

GROUP I.

The Governments of China and Japan, being sincerely desirous to maintain the general peace of the Far East and further strengthen the friendly relations and good neighbourhood subsisting between the two countries, have concluded the following articles:

ARTICLE I. The Chinese Government declare that they will give full assent to the dispositions that may

China's Reply of May 1, 1915 to the
Japanese Revised Demands of
April 26, 1915.

[CHINESE]

GROUP I.

The Chinese Government and the Japanese Government, being desirous of maintaining the general peace in Eastern Asia and further strengthening the friendly relations and good neighborhood existing between the two nations, agree to the following articles:

ARTICLE 1. The Chinese Government declare that they will give full assent to all matters upon which the

hereafter be agreed upon between the Japanese and German Governments in regard to all interests which Germany possesses in the Province of Shantung by virtue of treaties or recorded cases.

The Japanese Government declare that when the assent of the Chinese Government in regard to the interests above referred to has been given, Japan will restore Kiaochou to China, and recognize the right of the Chinese Government to participate in the negotiations between the Japanese and German Governments.

ART. II. The Japanese Government agree that they will be entirely responsible in regard to indemnification for losses of all kinds occasioned by Japan's military operations in Kiaochou, and also that the Customs, telegraphs, and posts within the leased territory of Kiaochou shall, pending the restoration of Kiaochou, be administered for the present as heretofore. The military railways and telegraphs which were constructed for the use of the Japanese troops shall be immediately removed, and the Japanese forces remaining outside the leased territory of Kiaochou shall first be withdrawn, and those remaining within the said territory shall be completely withdrawn at the time of restoration of Kiaochou to China.

ART. III. (Draft for exchange of notes.)

The Chinese Government declare

Japanese and German Governments may hereafter mutually agree, relating to the disposition of all interests, which Germany, by virtue of treaties or recorded cases, possesses in relation to the Province of Shantung.

The Japanese Government declare that when the Chinese Government give their assent to the disposition of interests above referred to, Japan will restore the leased territory of Kiaochow to China; and further recognize the right of the Chinese Government to participate in the negotiations referred to above between Japan and Germany.

ART. 2. The Japanese Government consent to be responsible for the indemnification of all losses occasioned by Japan's military operation around the leased territory of Kiaochow. The customs, telegraphs and post offices within the leased territory of Kiaochow shall, prior to the restoration of the said leased territory to China, be administered as heretofore for the time being. The railways and telegraph lines erected by Japan for military purposes are to be removed forthwith. The Japanese troops now stationed outside the original leased territory of Kiaochow are now to be withdrawn first, those within the original leased territory are to be withdrawn on the restoration of the said leased territory to China.

ART. 3. (Changed to an exchange of notes.)

The Chinese Government declare

that they will not transfer or lease to another Power, under any designation whatever, any territory within the Province of Shantung or any zone of land or any island along the coast thereof.

ART. IV. In case the Chinese Government propose to construct themselves a railway from Chefoo or Lungkou to connect with the Kiao-chou-Tsinan Railway and raise a foreign loan for the purpose, they engage, provided Germany is willing to abandon the right to furnish capital for the Chefoo-Weihsien line, to negotiate for a loan with Japanese capitalists.

ART. V. The Chinese Government engage, for the residence and trade of foreigners, to open of their own accord, as soon as possible, suitable places in the Province of Shantung as marts.

(Draft for exchange of notes)

The places to be so opened shall be selected and regulations relative thereto framed by the Chinese Government and decided upon after consultation with the Japanese Minister.

ART. VI. The foregoing Articles relating to the transfer and other matters that are to be settled in the future negotiations between the Japanese and German Governments, in the event of their failure to come to a definite agreement, the provisional engagements made in this Treaty shall become null and void.

that within the Province of Shantung and along its coast no territory or island will be ceded or leased to any Power under any pretext.

ART. 4. The Chinese Government consent that as regards the railway to be built by China herself from Chefoo or Lungkow to connect with the Kiao-chow-Tsinanfu railway, if Germany is willing to abandon the privilege of financing the Chefoo-Weihsien line, China will approach Japanese capitalists for loan.

ART. 5. The Chinese Government engage, in the interest of trade and for the residence of foreigners, to open by herself as soon as possible certain suitable places in the Province of Shantung as Commercial Ports.

(Supplementary exchange of notes)

The places which ought to be opened are to be chosen, and the regulations are to be drafted by the Chinese Government, but the Japanese Minister must be consulted before making a decision.

ART. 6. If the Japanese and German Governments are not able to come to a definite agreement in future in their negotiations respecting transfer, etc., this provisional agreement contained in the foregoing articles shall be void.

GROUP II.

The Chinese and Japanese Governments, with a view to the development of their economic relations in South Manchuria, have concluded the following articles:

ARTICLE I. The two High Contracting Parties engage to extend to ninety-nine years the term of lease of Port Arthur and Dairen and the terms of the South Manchuria and Antung-Mukden Railways.

(Draft for exchange of notes)

The terms of lease of Port Arthur and Dairen shall expire in the eighty-sixth year of the Republic, or in the year 1997 of the Christian era, and the time for the restoration of the South Manchuria Railway shall fall due in the ninety-first year of the Republic, or in the year 2002 of the Christian era. The clause in Art. 12 of the original Chinese Eastern Railway Convention stipulating that the Chinese Government shall have the right to recover the Railway by purchase upon expiration of thirty-six years from the day on which it is opened for traffic, shall become null and void. The term of the Antung-Mukden Railway shall fall due in the ninety-sixth year of the Republic, or in the year 2007 of the Christian era.

ART. II. Japanese subjects may lease from the owners land required for the erection of buildings for commercial and industrial uses and that required for agricultural purposes in South Manchuria.

GROUP II.¹

The Chinese Government and the Japanese Government, with a view to developing their economic relations in South Manchuria agree to the following articles:

ARTICLE 2. Japanese subjects in South Manchuria may, by arrangement with the owners, lease land required for erecting suitable buildings for trade and manufacture or agriculture enterprises.

¹The six articles which are found in Japan's Revised Demands of April 26, 1915, but omitted herein, are those already initialled by the Chinese Foreign Minister and the Japanese Minister.

ART. III. Japanese subjects may freely reside, travel, or engage in commercial, industrial, and other pursuits of every description in South Manchuria.

The Japanese subjects mentioned in the preceding two Articles shall present for registration to the local authorities their passports duly issued, and shall observe the Chinese police laws and regulations, and pay all taxes in the same manner as Chinese.

Civil and criminal cases shall be tried and decided by the authorities of the defendant's nationality, and the proceedings may be watched by officers of the other nationality. Cases, whether between Japanese themselves or between Chinese and Japanese, arising out of disputes relating to land or lease shall be tried and decided by the Chinese authorities, and an officer may be sent by the Japanese Consul to watch the proceedings. When, however, the judicial system of the region has been completely reformed, all civil and criminal cases relating to Japanese subjects shall be tried entirely by Chinese courts.

ART. IV. The Chinese Government agree to effect at an early date a radical revision of the Kirin-Chang-chun Railway Loan Agreement on the basis of the stipulations of the railway loan agreements which have hitherto been concluded between China and capitalists of other countries.

In the event of the Chinese Government granting in future to foreign capitalists in regard to railway loans more advantageous terms than those of the existing railway loan

ART. 3. Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever.

ART. 3a. The Japanese subjects referred to in the preceding two articles, besides being required to register with the local authorities pass-ports which they must procure under the existing regulations, shall also observe police rules and regulations and pay taxes in the same manner as Chinese. Civil and criminal cases shall be tried and adjudicated by the authorities of the defendant nationality and an officer can be deputed to attend the proceedings. But all cases purely between Japanese subjects and mixed cases between Japanese and Chinese, relating to land or disputes arising from lease contracts, shall be tried and adjudicated by Chinese Authorities and the Japanese Consul may also depute an officer to attend the proceedings. When the judicial system in the said Province is completely reformed, all the civil and criminal cases concerning Japanese subjects shall be tried entirely by Chinese law courts.

agreements, the above-mentioned Kirin-Changchun Railway Loan Agreement shall, if so desired by Japan, again be revised.

ART. V. (Draft for exchange of notes.)

The Chinese Government shall permit Japanese subjects to prospect or work, after an early examination and selection, the mines elsewhere specified in South Manchuria (excepting the mine lots which have already been prospected or are being worked). The existing arrangements shall be followed until the Mining Law is made definitely operative.

ART. VI. (Draft for exchange of notes.)

The Chinese Government agree that, in future, they will build railways in South Manchuria with funds from Chinese sources, and if foreign capital is required preference will be given to Japanese capitalists.

If, in future, the Chinese Government propose to raise a foreign loan on the security of the taxes of South Manchuria, (excluding the customs and salt revenues which are already made the securities for loans contracted by the Central Government), they shall first consult Japanese capitalists for such a loan.

ART. VII. (Draft for exchange of notes.)

The Chinese Government declare that if it is proposed, in future, to engage foreign advisers and instructors in regard to the political, financial, military and police affairs of South Manchuria, they will give the preference to Japanese.

ART. VIII. The existing treaties between China and Japan relative to Manchuria shall remain in force as heretofore, except as otherwise provided for in the present Agreement.

**DRAFT FOR EXCHANGE OF NOTES
RELATING TO EASTERN
INNER MONGOLIA**

The Chinese Government declare that they will hereafter not pledge for foreign loans any taxes or duties, excepting the salt gabelle and customs duties, in Eastern Inner Mongolia under the jurisdiction of South Manchuria and the Jehol Intendancy.

The Chinese Government declare that, if it is proposed, in future, to construct railways in Eastern Inner Mongolia under the jurisdiction of South Manchuria and the Jehol Intendancy, China herself will provide the capital for the undertaking, and if foreign capital is required, they will first negotiate with Japanese capitalists, provided such course does not conflict with the existing agreements with the other Powers.

The Chinese Government agree to establish of their own accord open marts, as soon as possible, in suitable places in Eastern Inner Mongolia under the jurisdiction of South Manchuria and the Jehol Intendancy for the residence and trade of foreigners; and regulations relating thereto will be determined according to those of other marts already opened by China herself.

**RELATING TO EASTERN INNER
MONGOLIA**
(To be exchanged by notes)

1. The Chinese Government declare that China will not in future pledge the taxes, other than customs and salt revenue of that part of Eastern Inner Mongolia under the jurisdiction of South Manchuria and Jehol Intendancy, as security for raising a foreign loan.

2. The Chinese Government declare that China will herself provide funds for building the railways in that part of Eastern Inner Mongolia under the jurisdiction of South Manchuria and the Jehol Intendancy; if foreign capital is required, China will negotiate with Japanese capitalists first, provided this does not conflict with agreements already concluded with other Powers.

The Chinese Government agree, in the interest of trade and for the residence of foreigners, to open by China herself certain suitable places in that part of Eastern Inner Mongolia under the jurisdiction of South Manchuria and the Jehol Intendancy, as Commercial Marts.

The regulations for the said Commercial Marts will be made in accordance with those of other Commercial Marts opened by China herself.

GROUP III.

The relations between Japan and the Han-Yeh-Ping Company being especially intimate, the Chinese Government shall, when the Company and Japanese capitalists shall hereafter have agreed to bring it under joint management, give their consent thereto; and the Chinese Government shall not confiscate or nationalise the concern, nor permit the Company to raise any foreign loan other than Japanese.

GROUP III.

The relations between Japan and the Hanyehping Company being very intimate, if the said Company comes to an agreement with the Japanese capitalists for cooperation, the Chinese Government shall forthwith give their consent thereto. The Chinese Government further declare that China will not convert the company into a state enterprise, nor confiscate it, nor cause it to borrow and use foreign capital other than Japanese.

GROUP IV.

The Chinese Government to make on their own initiative the following declaration:

The Chinese Government will not transfer or lease to any other Power the bays, harbours and islands along the coast of China.

GROUP V.

DRAFT OF A NOTE TO BE SENT BY
MR. HIOKI TO THE CHINESE
MINISTER OF FOREIGN
AFFAIRS

It has been rumoured that the Chinese Government will permit a foreign Power to construct shipyards, military coaling stations, naval bases, and other military establishments of all kinds on the coast of Fukien Province, and also that China herself intends to construct the above establishments with the loan of foreign capital.

LETTER TO BE ADDRESSED BY THE
JAPANESE MINISTER TO THE
CHINESE MINISTER OF
FOREIGN AFFAIRS

Excellency: I have the honor to state that a report has reached me that the Chinese Government have given permission to foreign nation to construct, on the coast of Fukien Province, dock yards, coaling stations for military use, naval bases and other establishments for military purposes; and further, that the Chinese Government are borrowing foreign capital for putting up the above-mentioned constructions or establishments. I shall be much obliged, if the Chinese Government will inform me

A reply is desired as to the truth of the rumour.

whether or not these reports are well founded in fact.

DRAFT OF A NOTE TO BE SENT BY THE CHINESE MINISTER OF FOREIGN AFFAIRS TO MR. HIOKI

In reply to your Note under date the, the Chinese Government are in a position to declare that they will never permit a foreign Power to construct shipyards, military coaling-stations, naval bases, and other military establishments, nor have they any intention of constructing such establishments with the loan of foreign capital.

REPLY TO BE ADDRESSED BY THE CHINESE MINISTER OF FOREIGN AFFAIRS TO THE JAPANESE MINISTER

Excellency: I have the honor to acknowledge the receipt of your Excellency's Note of..... In reply, I beg to state that the Chinese Government have not given permission to foreign Powers to construct, on the coast of Fukien Province, dock yards, coaling stations for military use, naval bases or other establishments for military purposes; nor do they contemplate to borrow foreign capital for putting up such constructions or establishments.

V. Japan's Ultimatum to China, delivered by Mr. Hioki to the Chinese Minister of Foreign Affairs, May 7, 1915.

[JAPANESE]

In opening the present negotiations with the Chinese Government, the Imperial Government were actuated by the desire to adjust matters to meet the new situation created by the war between Japan and Germany and of strengthening, in the interest of a firm and lasting peace in the Far East, the bond of amity and friendship between Japan and China by removing from the relations of the two countries various causes of misunderstanding and

Japan's Ultimatum to China, delivered by the Japanese Minister to the Chinese Government on May 7, 1915.

[CHINESE]

The reason why the Imperial Government opened the present negotiations with the Chinese Government is first to endeavour to dispose of the complications arising out of the war between Japan and Germany, and secondly to attempt to solve those various questions which are detrimental to the intimate relations of China and Japan with a view to solidifying the foundation of cordial friendship subsisting between the two

suspicion. Since the Imperial Government first presented their proposals to the Chinese Government in January last, twenty-five conferences have been held between the representatives of the two Governments. In these successive conferences, the Imperial Government presented their side of the case fully and frankly, while at the same time, animated by a spirit of conciliation and concord, they gave every possible consideration to the argument advanced by the Chinese Government. This fact, the Imperial Government believe, affords abundant proof of their sincere desire to bring the present negotiations to a peaceful conclusion. With the close of the twenty-fourth conference on April 17th, discussions on all questions were practically brought to an end. Thereupon the Imperial Government, in deference to the expressed wishes of the Chinese Government, considerably modified their original proposals and prepared an amended project, showing no small concessions on their part. This they presented to the Chinese Government on the 26th of the same month, with the announcement that should the Chinese Government accept it, Kiauchou Bay, which is a point of no small importance in the Far East commercially as well as strategically, and which cost Japan so much to take, would be returned to China at a proper time under fair and reasonable conditions. The reply

countries to the end that the peace of the Far East may be effectually and permanently preserved. With this object in view, definite proposals were presented to the Chinese Government in January of this year, and up to today as many as twenty-five conferences have been held with the Chinese Government in perfect sincerity and frankness.

In the course of the negotiation the Imperial Government have consistently explained the aims and objects of the proposals in a conciliatory spirit, while on the other hand the proposals of the Chinese Government, whether important or unimportant, have been attended to without any reserve.

It may be stated with confidence that no effort has been spared to arrive at a satisfactory and amicable settlement of those questions.

The discussion of the entire corpus of the proposals was practically at an end at the twenty-fourth conference; that is on 17th of the last month. The Imperial Government, taking a broad view of the negotiations and in consideration of the points raised by the Chinese Government, modified the original proposals with considerable concessions and presented to the Chinese Government on the 26th of the same month the revised proposals for agreement, and at the same time it was offered that, on the acceptance of the revised proposals, the Imperial Government would at a suitable opportunity, restore, with fair and proper conditions, to the Chinese Government the Kiaochow territory, in the acquisition of which the Imperial Government had made a great sacrifice.

which the Chinese Government gave on May 1 to this amended project of the Imperial Government was a total disappointment. It gave not only no indication of the Japanese amended project having been seriously examined by the Chinese Government, but also failed to show any appreciation of the friendly and generous offer of the Imperial Government. Japan, being now in possession of Kiauchou Bay, is under no obligation to return it to China. It is because of her desire to promote the friendly relations with China that Japan proposes to do so. The Imperial Government cannot conceal their keen disappointment at the utter disregard, on the part of the Chinese Government, of the sentiment which prompted them to make this offer. The Chinese Government, so far from showing an appreciation of the good will of the Imperial Government in respect of Kiauchou Bay, even demanded its unconditional surrender and called upon Japan to indemnify inevitable losses suffered by China in consequence of the war between Japan and Germany. Moreover they presented several other demands in connection with the occupied territory, and declared that they were entitled to participate in the coming peace negotiations between Japan and Germany. A demand like the uncondi-

On the 1st of May, the Chinese Government delivered the reply to the revised proposals of the Japanese Government, which is contrary to the expectations of the Imperial Government. The Chinese Government not only did not give a careful consideration to the revised proposals but even with regard to the offer of the Japanese Government to restore Kiaochow to the Chinese Government the latter did not manifest the least appreciation for Japan's good will and difficulties.

From the commercial and military points of view Kiaochow is an important place, in the acquisition of which the Japanese Empire sacrificed much blood and money, and, after the acquisition the Empire incurs no obligation to restore it to China. But with the object of increasing the future friendly relations of the two countries, they went to the extent of proposing its restoration, yet to her great regret, the Chinese Government did not take into consideration the good intention of Japan and manifest appreciation of her difficulties. Furthermore, the Chinese Government not only ignored the friendly feelings of the Imperial Government in offering the restoration of Kiaochow Bay, but also in replying to the revised proposals they even demanded its unconditional restoration; and again China demanded that Japan should bear the responsibility of paying indemnity for all the unavoidable losses and damages resulting from Japan's military operations at Kiaochow; and still further in connection with the

tional surrender of Kiauchou Bay or indemnification by Japan of inevitable losses suffered by China in consequence of the Japan-German war, is one that cannot be justly accepted by the Imperial Government. Nevertheless the Chinese Government declared the last reply to be their final decision. Any agreements that have already been or may hereafter be reached as to the other points would, therefore, be of no effect, unless those inadmissible demands of China are accepted by Japan. In other words, the last reply of the Chinese Government, taken as a whole, amounts to nothing more than a rejection of the entire Japanese proposals.

In several other respects the Chinese reply is no less unsatisfactory.

As regards South Manchuria and Eastern Inner Mongolia, for instance, the Chinese Government ignored the universally recognized fact that these are the regions where, owing to geographical, political and economical reasons, Japan has special interests which have been made the more preponderating as the result of the last two wars. Some of the proposals which the Imperial Government formulated with a conciliatory spirit on the basis of the declarations made by the Chinese representative at the conference, were arbitrarily amended by the Chinese Government, thus nullifying the statement of their own responsible Minister, while in some

territory of Kiaochow China advanced other demands and declared that she has the right of participation at the future peace conference to be held between Japan and Germany. Although China is fully aware that the unconditional restoration of Kiaochow and Japan's responsibility of indemnification for the unavoidable losses and damages can never be tolerated by Japan, yet she purposely advanced these demands and declared that this reply was final and decisive.

Since Japan could not tolerate such demands the settlement of the other questions, however compromising it may be, would not be to her interest. The consequence is that the present reply of the Chinese Government is, on the whole, vague and meaningless.

Furthermore, in the reply of the Chinese Government to the other proposals in the revised list of the Imperial Government, such as South Manchuria and Eastern Inner Mongolia, where Japan particularly has geographical, commercial, industrial and strategic relations, as recognized by all the nations, and made more remarkable in consequence of the two wars in which Japan was engaged, the Chinese Government overlooks these facts and does not respect Japan's position in that place. The Chinese Government even freely altered those articles which the Imperial Government, in a compromising spirit, have formulated in accordance with the statement of the Chinese Representatives thereby making the statements of the Representatives an empty talk;

others an inconsistent and therefore inadmissible amendment was introduced, showing thus no evidence of good faith and sincerity on their part.

As to the questions of advisers, land for schools and hospitals and supply of arms, the Imperial Government merely asked to leave on record what had been declared by the Chinese representative, while as regards the railway concessions in South China, they were satisfied with a promise that the matter would be favorably considered, in case there was no objection on the part of the other interested Powers. These proposals affected in no wise China's sovereignty or treaty obligations, but the Chinese Government refused to give their consent on the ground that they involved the question of China's sovereignty or of treaty obligations.

The Imperial Government extremely regret that they find in the attitude of the Chinese Government little use of further continuing the present negotiations. Yet the Imperial Government, who are ever solicitous for the preservation of peace in the Far East, prompted by the desire to bring the present negotiations to a satisfactory close and avoid the development of any serious complication in the situation, have decided, as a mark of their sincere good will towards the Chinese Government, to withdraw from the present negotiations and reserve for future discussion the whole of Group

and on seeing them conceding with the one hand and withholding with the other it is very difficult to attribute faithfulness and sincerity to the Chinese Authorities.

As regards the articles relating to the employment of advisers, the establishment of schools and hospitals, the supply of arms and ammunition and the establishment of arsenals and railway concessions in South China in the revised proposals they were either proposed with the proviso that the consent of the Power concerned must be obtained, or they are merely to be recorded in the minutes in accordance with the statements of the Chinese delegates, and thus they are not in the least in conflict either with Chinese sovereignty or her treaties with the Foreign Powers, yet the Chinese Government in their reply to the proposals, alleging that these proposals are incompatible with their sovereign rights and treaties with Foreign Powers, defeat the expectations of the Imperial Government. However in spite of such attitude of the Chinese Government, the Imperial Government, though regretting to see that there is no room for further negotiations, yet warmly attached to the preservation of the peace of the Far East, is still hoping for a satisfactory settlement in order to avoid the disturbance of the relations.

So in spite of the circumstances which admitted no patience, they have reconsidered the feelings of the Government of their neighbouring country and, with the exception of the

V, except the one item respecting Fukien Province about which agreement has been reached between the representatives of the two Governments.

The Imperial Government therefore advise the Chinese Government that they will, in appreciation of the good will of the Imperial Government, accept without amendment all items included in Group I, II, III, and IV, together with the item in Group V relating to Fukien, as embodied in the Japanese amended project of April 26.

In case the Imperial Government fail to receive from the Chinese Government, before 6 p. m. of May 9, a satisfactory response to their advice they will take such independent actions as they may deem necessary to meet the situation.

articles relating to Fukien which is to be the subject of an exchange of notes as has already been agreed upon by the Representatives of both nations, will undertake to detach the Group V. from the present negotiation and discuss it separately in the future. Therefore the Chinese Government should appreciate the friendly feelings of the Imperial Government by immediately accepting without any alterations all the articles of Groups I, II, III, and IV and the exchange of notes in connection with Fukien province in Group V as contained in the revised proposals presented on the 26th of April.

The Imperial Government hereby again offer their advice and hope that the Chinese Government, upon this advice, will give a satisfactory reply by 6 o'clock p. m. on the 9th day of May. It is hereby declared that if no satisfactory reply is received before or at the specified time, the Imperial Government will take steps they may deem necessary.

VI. Explanatory Note handed to the Chinese Minister of Foreign Affairs by the Japanese Minister at the Time of the delivery of the Ultimatum, May 7, 1915.

[JAPANESE]

1. The sentence "the whole of Group V except the one item respecting Fukien Province," which appears in the latter part of the Ultimatum, refers to the question (a) of advisers, (b) of land for schools and hospitals,

Explanatory Note Accompanying Ultimatum delivered to the Minister of Foreign Affairs by the Japanese Minister, May 7, 1915.

[CHINESE]

1. With the exception of the question of Fukien to be arranged by an exchange of notes, the five articles postponed for later negotiation refer to (a) the employment of advisers, (b) the establishment of schools and

(c) of railways in South China, (d) of arms and arsenal and (e) of right of preaching.

2. The acceptance by the Chinese Government of the item relating to Fukien Province, may be either in the form proposed by the Japanese Minister on April 26, or in that contained in the Chinese reply of May 1.

Although the Ultimatum calls for the acceptance by China, without alteration, of the revised Japanese proposals presented on April 26, yet it should be noted that it merely states the principle, and does not apply to such exceptions as this item and items 4 and 5 of this note.

3. If the Chinese Government accept all the items as demanded in the Ultimatum, the offer of the Japanese Government to restore Kiaochou Bay to China, made on April 26, will hold good.

4. The words "lease or purchase" in Article 2 of Group II may be replaced by the words "temporary lease" or "perpetual lease," or simply by "lease" on the clear understanding that it means a long-term lease with the privilege of its unconditional renewal.

5. The phrase "the Japanese Government will be consulted" in connection with questions of railway loans and loans to be secured by the

hospitals, (c) the railway concessions in South China, (d) the supply of arms and ammunition and the establishment of arsenals and (e) the right of missionary propaganda.

2. The acceptance by the Chinese Government of the article relating to Fukien may be either in the form as proposed by the Japanese Minister on the 26th of April or in that contained in the Reply of the Chinese Government of May 1st. Although the Ultimatum calls for the immediate acceptance by China of the modified proposals presented on April 26th, without alteration, but it should be noted that it merely states the principle and does not apply to this article and articles 4 and 5 of this note.

3. If the Chinese Government accept all the articles as demanded in the Ultimatum the offer of the Japanese Government to restore Kiaochow to China made on the 26th of April, will still hold good.

4. Article 2 of Group II relating to the lease or purchase of land, the terms "lease" and "purchase" may be replaced by the terms "temporary lease" and "perpetual lease" or "lease on consultation," which means a long-term lease with its unconditional renewal:

Article 4 of Group II relating to the approval of police laws and ordinances and local taxes by the Japanese Consul may form the subject of a secret agreement.

5. The phrase "to consult with the Japanese Government" in connection with questions of pledging the local taxes for raising loans and the loans for the construction of railways, in

taxes in Eastern Inner Mongolia, should be altered in the sense that "Japanese capitalists shall be consulted," as in the case of similar agreement relating to Manchuria on matters of the same kind.

Of the Articles relating to the opening of trade marts in Eastern Inner Mongolia, the part which refers to the location and regulations may be left to an exchange of notes, as in the case of Shantung agreement.

6. From the phrase "those interested in the said Company" in Group III of the revised Japanese proposals, the words "those interested in" may be deleted.

7. The official text of the treaties and their annexes shall be in Japanese or in both Japanese and Chinese.

Eastern Inner Mongolia, which is similar to the agreement in Manchuria relating to the matters of the same kind, may be replaced by the phrase "to consult with the Japanese capitalists."

The article relating to the opening of trade marts in Eastern Inner Mongolia in respect to location and regulations, may, following the precedent set in Shantung, be the subject of an exchange of notes.

6. From the phrase "those interested in the Company" in Group III of the revised list of demands, the words "those interested in" may be deleted.

7. The Japanese version of the Formal Agreement and its annexes shall be the official text or both the Chinese and Japanese shall be the official texts.

VII. The Reply of the Chinese Government to the Ultimatum of the Imperial Government, handed to Mr. Hioki on May 8, 1915.

[JAPANESE]

On the 7th May, at 3.00 p. m., the Chinese Government received from the Japanese Minister the Ultimatum of his Government, together with an Explanatory Note of seven articles. The Ultimatum concluded with the statement that the Japanese Government expected a satisfactory reply from the Chinese Government not later than 6.00 p. m. on the 9th May, and that in the event of their failing

China's Acceptance of the Ultimatum. Reply of the Chinese Government to the Ultimatum of the Japanese Government, delivered to the Minister of Foreign Affairs on May 8, 1915.

[CHINESE]

On the 7th of this month, at three o'clock p. m. the Chinese Government received an Ultimatum from the Japanese Government together with an Explanatory Note of seven articles. The Ultimatum concludes with the hope that the Chinese Government by 6 o'clock p. m., on the 9th of May, will give a satisfactory reply, and it is hereby declared that

to receive a satisfactory reply by that hour, they would take such measures as they might deem necessary.

The Chinese Government, having in view the preservation of peace in East Asia, hereby accept, with the exception of the five items of the Fifth Group, which are reserved for future negotiation, of the Revised Proposals presented on the 26th April by the Japanese Government, all the items of the First, Second, Third, and Fourth Groups together with the exchange of Notes relative to the Fukien question in the Fifth Group, as set forth in the said Revised Proposals and explained in the seven articles annexed to the Ultimatum, and hope that all outstanding questions between China and Japan will thereby be solved and the friendly relations between the two countries be further strengthened.

The Japanese Minister is requested to appoint a day for calling at the Department of Foreign Affairs in order to make verbal amendments in the text and sign the Documents at an early date.

if no satisfactory reply is received before or at the specified time, the Japanese Government will take steps she may deem necessary.

The Chinese Government with a view to preserving the peace of the Far East, hereby accepts, with the exception of those five articles of Group V postponed for later negotiation, all the articles of Group I, II, III, and IV and the exchange of notes in connection with Fukien Province in Group V as contained in the revised proposals presented on the 26th of April and in accordance with the Explanatory Note of seven articles accompanying the Ultimatum of the Japanese Government with the hope that thereby all the outstanding questions are settled, so that the cordial relationship between the two countries may be further consolidated.

The Japanese Minister is hereby requested to appoint a day to call at the Ministry of Foreign Affairs to make the literary improvement of the text and sign the Agreement as soon as possible.

VIII. Treaties Signed and Notes Exchanged between Japan and China on May 25, 1915.

TREATY RESPECTING THE PROVINCE OF SHANTUNG

His Majesty the Emperor of Japan and His Excellency the President of the Republic of China, being desirous

The Chino-Japanese Treaties and Annexes.

TREATY RESPECTING THE PROVINCE OF SHANTUNG

His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, having resolved to conclude a Treaty with a

[JAPANESE]

[CHINESE]

to maintain the general peace of the Far East and to further strengthen the relations of amity and good neighbourhood existing between the two countries, have resolved to conclude a treaty for that purpose and to that end have named their Plenipotentiaries, that is to say:

His Majesty the Emperor of Japan, Mr. Eki Hioki, *Jushii*, Second Class of the Imperial Order of the Sacred Treasure, His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the Republic of China; and

His Excellency the President of the Republic of China, Mr. Lu-Cheng-hsieng, *Tsung-Ching*, First Class of the Order of Chia-Ho, Minister of Foreign Affairs of the Republic of China;

Who, after having communicated to each other their respective full Powers, which were found to be in good and due form, have agreed upon the following articles:

ARTICLE I. The Chinese Government engage to recognize all matters that may be agreed upon between the Japanese Government and the German Government respecting the disposition of all the rights, interests and concessions, which, in virtue of treaties or otherwise, Germany possesses *vis-a-vis* China in relation to the Province of Shantung.

ARTICLE II. The Chinese Government engage that, in case they undertake the construction of a railway connecting Chefoo or Lungkou with the Kiaochou-Tsinan Railway, they

view to the maintenance of general peace in the Extreme East and the further strengthening of the relations of friendship and good neighbourhood now existing between the two nations, have for that purpose named as their Plenipotentiaries, that is to say:

His Excellency the President of the Republic of China, Lou Tseng-tsiang, *Chung-ching*, First Class *Chia Ho* Decoration, Minister of Foreign Affairs.

And His Majesty the Emperor of Japan, Hioki Eki, *Jushii*, Second Class of the Imperial Order of the Sacred Treasure, Minister Plenipotentiary, and Envoy Extraordinary:

Who, after having communicated to each other their full powers and found them to be in good and due form, have agreed upon and concluded the following Articles:

ARTICLE 1. The Chinese Government agrees to give full assent to all matters upon which the Japanese Government may hereafter agree with the German Government relating to the disposition of all rights, interests and concessions which Germany, by virtue of treaties or otherwise, possesses in relation to the Province of Shantung.

ART. 2. The Chinese Government agrees that as regards the railway to be built by China herself from Chefoo or Lungkow to connect with the Kiaochow-Tsinanfu railway, if Germany

shall, in the event of Germany's surrendering her right of providing capital for the Chefoo Weihsien railway line, enter into negotiations with Japanese capitalists for the purpose of financing the said undertaking.

ARTICLE III. The Chinese Government engage to open, of their own accord, as early as possible, suitable cities and towns in the Province of Shantung for the residence and trade of foreigners.

ARTICLE IV. The present Treaty shall take effect on the day of its signature.

The present Treaty shall be ratified by His Majesty the Emperor of Japan and by His Excellency the President of the Republic of China, and the ratifications thereof shall be exchanged at Tokio as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed this Treaty made in duplicate, in Japanese and in Chinese, and have hereunto affixed their seals.

Done at Peking the 25th day of the 5th month of the 4th year of Taisho, corresponding to the 25th day of the 5th month of the 4th year of the inauguration of the Republic of China.
 (signed) EKI HIOKI. (seal)

&c., &c., &c.

(signed) LU CHENG-HSIENG. (seal)
 &c., &c., &c.

abandons the privilege of financing the Chefoo-Weihsien line, China will approach Japanese capitalists to negotiate for a loan.

ART. 3. The Chinese Government agrees in the interest of trade and for the residence of foreigners, to open by China herself as soon as possible certain suitable places in the Province of Shantung as Commercial Ports.

ART. 4. The present treaty shall come into force on the day of its signature.

The present treaty shall be ratified by His Excellency the President of the Republic of China and His Majesty the Emperor of Japan and the ratification thereof shall be exchanged at Tokio as soon as possible.

In witness whereof the respective Plenipotentiaries of the High Contracting Parties have signed and sealed the present Treaty, two copies in the Chinese language and two in Japanese.

Done at Peking this twenty-fifth day of the fifth month of the fourth year of the Republic of China, corresponding to the same day of the same month of the fourth year of Taisho.

EXCHANGE OF NOTES RESPECTING SHANTUNG

Note

Peking, May 25, 1915.

Peking, May 25, 1915.¹

Monsieur le Ministre:

In the name of the Chinese Government, I have the honour to make the following declaration to your Excellency's Government:

The Chinese Government will never lease or alienate, under any designation whatever, to any foreign Power any territory within or along the coast of the Province of Shantung or any island lying near the said coast.

I avail, etc., etc.,

(signed) LU CHENG-HSIENG.¹

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

Note

Monsieur le Ministre,

In the name of the Chinese Government I have the honour to make the following declaration to your Government:

Within the Province of Shantung or along its coast no territory or island will be leased or ceded to any foreign Power under any pretext.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,

Japanese Minister.

Reply

Peking, May 25, 1915.

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you make, in the name of the Government of China, the following declaration to the Imperial Government of Japan:

The Chinese Government will never lease or alienate, under any designation whatever, to any foreign Power any territory within or along

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you made the following declaration in the name of the Chinese Government:

Within the Province of Shantung or along its coast no territory or island will be leased or ceded to any foreign Power under any pretext.

¹For convenience in the parallel arrangement of the following notes, the dates as given in the Chinese translation, *i. e.*, Peking, the 25th day of the 5th month of the 4th year of the Republic of China, and the titles affixed to the signatures and superscriptions in the Japanese translation, *i. e.*, Minister of Foreign Affairs of the Republic of China, and H. I. J. M.'s Envoy Extraordinary and Minister Plenipotentiary, have been herein abbreviated, or, in the case of the signature, omitted. The texts of the notes, however, conform to the originals.—ED.

the coast of the Province of Shantung or any island lying near the said coast.

In reply I beg to state that I have taken note of this declaration.

I avail, etc., etc.,
(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

In reply I beg to state that I have taken note of this declaration.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE OPENING OF PORTS IN SHANTUNG

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that the cities and towns to be opened in accordance with the stipulation of Art. III of the Treaty respecting Shantung Province, signed to-day, will be selected and the regulations therefor will be drawn up, by the Chinese Government, and will be decided upon after consultation with the Japanese Minister.

I avail, etc., etc.,
(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that the places which ought to be opened as Commercial Ports by China herself, as provided in Article 3 of the Treaty respecting the Province of Shantung signed this day, will be selected and the regulations therefor will be drawn up by the Chinese Government itself, a decision concerning which will be made after consulting the Minister of Japan.

I avail, etc.,
(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you state that the cities and towns to be opened in ac-

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you stated "that the places which ought to be opened as Commercial Ports by China

cordance with the stipulation of Art. III of the Treaty respecting Shantung Province, signed to-day, will be selected and the regulations therefor will be drawn up, by the Chinese Government, and will be decided upon after consultation with the Japanese Minister.

In reply I beg to state that I have taken note of the same.

I avail, etc., etc.,

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

herself, as provided in Article 3 of the Treaty respecting the Province of Shantung signed this day, will be selected and the regulations therefor will be drawn up by the Chinese Government itself, a decision concerning which will be made after consulting the Minister of Japan."

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

Lou TSENG-TSIANG,
Minister of Foreign Affairs.

TREATY RESPECTING SOUTH MANCHURIA AND EASTERN INNER MONGOLIA

His Majesty the Emperor of Japan and His Excellency the President of the Republic of China, being desirous to develop the economic relations of the two countries in the regions of South Manchuria and Eastern Inner Mongolia, have resolved to conclude a treaty for that purpose and to that end have named their Plenipotentiaries, that is to say:

His Majesty the Emperor of Japan, Mr. Eki Hioki, *Jushii*, Second Class of the Imperial Order of the Sacred Treasure, His Majesty's Envoy Extraordinary and Minister Plenipotentiary to the Republic of China; and

His Excellency the President of the Republic of China, Mr. Lu Cheng-hsieng, *Tsung-Ching*, First Class of the Order of Chia-Ho, Minister of Foreign Affairs of the Republic of China;

TREATY RESPECTING SOUTH MANCHURIA AND EASTERN INNER MONGOLIA

His Excellency the President of the Republic of China and His Majesty the Emperor of Japan, having resolved to conclude a Treaty with a view to developing their economic relations in South Manchuria and Eastern Inner Monogolia, have for that purpose named as their Plenipotentiaries, that is to say:

His Excellency the President of the Republic of China, Lou Tseng-tsiang, *Chung-ching*, First Class *Chia-ho* Decoration, and Minister of Foreign Affairs; and His Majesty the Emperor of Japan, Hioki Eki, *Jushii*, Second Class of the Imperial Order of the Sacred Treasure, Minister Plenipotentiary and Envoy Extraordinary:

Who, after having communicated to each other their respective full Powers, which were found to be in good and due form, have agreed upon the following articles:

ARTICLE I. The High Contracting Parties mutually agree to extend the term of the lease of Port Arthur and Dairen, and the term relating to the South Manchurian Railway and to the Antung-Mukden Railway, to a period of ninety-nine years respectively.

ARTICLE II. The subjects of Japan shall be permitted in South Manchuria to lease land necessary either for erecting buildings for various commercial and industrial uses or for agricultural purposes.

ARTICLE III. The subjects of Japan shall have liberty to enter, travel and reside in South Manchuria and to carry on business of various kinds—commercial, industrial and otherwise.

ARTICLE IV. The Government of China shall permit joint undertakings, in Eastern Inner Mongolia, of the subjects of Japan and citizens of China, in agriculture and industries auxiliary thereto.

ARTICLE V. With respect to the three preceding Articles, the subjects of Japan shall produce before the local authorities the passports duly issued for the purpose of registration, and shall also submit themselves to the police laws and regulations and taxes of China.

In civil and criminal suits, the Japanese consular officer, where a Japanese subject is the defendant, and the Chinese official, where a Chinese

Who, after having communicated to each other their full powers, and found them to be in good and due form, have agreed upon and concluded the following Articles:

ARTICLE 1. The two High Contracting Parties agree that the term of lease of Port Arthur and Dalny and the terms of the South Manchuria Railway and the Antung-Mukden Railway, shall be extended to 99 years.

ART. 2. Japanese subjects in South Manchuria may, by negotiations, lease land necessary for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises.

ART. 3. Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever.

ART. 4. In the event of Japanese and Chinese desiring jointly to undertake agricultural enterprises and industries incidental thereto, the Chinese Government may give its permission.

ART. 5. The Japanese subjects referred to in the preceding three articles, besides being required to register with the local authorities passports which they must procure under the existing regulations, shall also submit to the police laws and ordinances and taxation of China.

Civil and criminal cases in which the defendants are Japanese shall be tried and adjudicated by the Japanese Consul; those in which the defendants

citizen is the defendant, shall respectively try and decide the case, both the Japanese consular officer and the Chinese official being permitted each to send his agent to attend the trial of the other to watch the proceedings; provided that in civil suits arising out of land disputes between Japanese subjects and Chinese citizens, the cases shall be tried and decided by the joint tribunal composed of the properly authorized officials of the two countries, in accordance with the laws and local usages of China.

In the future when the judicial system in the said regions shall have been completely reformed, all civil and criminal suits involving Japanese subjects shall be wholly tried and decided by the law-courts of China.

ARTICLE VI. The Government of China engage to open of their own accord, as early as possible, suitable cities and towns in Eastern Inner Mongolia, for the residence and trade of foreigners.

ARTICLE VII. The Government of China agree to a speedy fundamental revision of various agreements and contracts relating to the Kirin-Changchun Railway, on the basis of the terms embodied in railway loan agreements which China has heretofore entered into with various foreign capitalists.

If, in future, the Chinese Government grant to foreign capitalists, in matters that relate to railway loans, more advantageous terms than those in the various existing railway loan agreements, the above-mentioned Kirin-Changchun Railway Loan Agree-

are Chinese shall be tried and adjudicated by Chinese Authorities. In either case an officer may be deputed to the court to attend the proceedings. But mixed civil cases between Chinese and Japanese relating to land shall be tried and adjudicated by delegates of both nations conjointly in accordance with Chinese law and local usage.

When, in future, the judicial system in the said region is completely reformed, all civil and criminal cases concerning Japanese subjects shall be tried and adjudicated entirely by Chinese law courts.

ART. 6. The Chinese Government agrees, in the interest of trade and for the residence of foreigners, to open by China herself, as soon as possible, certain suitable places in Eastern Inner Mongolia as Commercial Ports.

ART. 7. The Chinese Government agrees speedily to make a fundamental revision of the Kirin-Changchun Railway Loan Agreement, taking as a standard the provisions in railway loan agreement made heretofore between China and foreign financiers.

When in future, more advantageous terms than those in existing railway loan agreements are granted to foreign financiers in connection with railway loans, the above agreement

ment shall, if so desired by Japan, be further revised.

ARTICLE VIII. Except as otherwise provided in this Treaty, all existing treaties between Japan and China with respect to Manchuria shall remain in force.

ARTICLE IX. The present Treaty shall take effect on the day of its signature.

The present Treaty shall be ratified by His Majesty the Emperor of Japan and by His Excellency the President of the Republic of China, and the ratifications thereof shall be exchanged at Tokio as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed this Treaty made in duplicate, in Japanese and in Chinese, and have hereunto affixed their seals.

Done at Peking the 25th day of the 5th month of the 4th year of Taisho, corresponding to the 25th day of the 5th month of the 4th year of the inauguration of the Republic of China.

(signed) EKI HIOKL (seal)
&c., &c., &c.

(signed) LU CHENG-HSIENG. (seal)
&c., &c., &c.

shall again be revised in accordance with Japan's wishes.

ART. 8. All existing treaties between China and Japan relating to Manchuria shall, except where otherwise provided for by this Treaty, remain in force.

ART. 9. The present Treaty shall come into force on the date of its signature. The present Treaty shall be ratified by His Excellency the President of the Republic of China and His Majesty the Emperor of Japan and the ratifications thereof shall be exchanged at Tokio as soon as possible.

In witness whereof the respective Plenipotentiaries of the two High Contracting Parties have signed and sealed the present Treaty, two copies in the Chinese language and two in Japanese.

Done at Peking this twenty-fifth day of the fifth month of the fourth year of the Republic of China, corresponding to the same day of the month of the fourth year of Taisho.

EXCHANGE OF NOTES RESPECTING THE TERMS OF LEASE OF PORT ARTHUR
AND DALNY AND THE TERMS OF SOUTH MANCHURIA
AND ANTUNG-MUKDEN RAILWAYS

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that respecting the stipulation of Art. I of

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that, respecting the provisions contained in

the Treaty relating to South Manchuria and Eastern Inner Mongolia, signed this day, the extension of the term of the lease of Port Arthur and Dairen shall expire in the eighty-sixth year of the Republic, that is to say, in the year 1997 of the Christian era. The date for reversion to China of the South Manchuria Railway shall fall due in the ninety-first year of the Republic, that is to say, the year 2002 of the Christian era, and the clause in Art. XII of the original Chinese Eastern Railway Agreement, providing that the Chinese Government may take over the Railway after thirty-six years from the day on which it is opened for traffic, is hereby declared null and void. The term with respect to the Antung-Mukden Railway shall expire in the ninety-sixth year of the Republic, that is to say, the year 2007 of the Christian era.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, stating that respecting the stipulation of Article I of the Treaty relating to South Manchuria and Eastern Inner Mongolia, signed this day, the extension of the term of the lease of Port Arthur and Dairen shall expire in the eighty-sixth year of

Article I of the Treaty relating to South Manchuria and Eastern Inner Mongolia, signed this day, the term of lease of Port Arthur and Dalny shall expire in the 86th year of the Republic or 1997. The date for restoring the South Manchuria Railway to China shall fall due in the 91st year of the Republic of 2002. Article 12 in the original South Manchurian Railway Agreement providing that it may be redeemed by China after 36 years from the day on which the traffic is opened is hereby cancelled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic of 2007.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,

Japanese Minister.

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date, in which you stated that "respecting the provisions contained in Article I of the Treaty relating to South Manchuria and Eastern Inner Mongolia, signed this day, the term of lease of Port Arthur and Dalny shall expire in the 86th year

the Republic, that is to say, in the year 1997 of the Christian era. The date for reversion to China of the South Manchuria Railway shall fall due in the ninety-first year of the Republic, that is to say, the year 2002 of the Christian era, and the clause in Article XII of the original Chinese Eastern Railway Agreement, providing that the Chinese Government may take over the railway after thirty-six years from the day on which it is opened for traffic, is hereby declared null and void. The term with respect to the Antung-Mukden Railway shall expire in the ninety-sixth year of the Republic, that is to say, the year 2007 of the Christian era.

In reply I beg to state that I have taken note of the same.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE OPENING OF PORTS IN
EASTERN INNER MONGOLIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that the cities and towns to be opened in accordance with the stipulation of Article VI of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, will be selected and the regulations therefor will be drawn up, by the Chinese Government, and will be decided upon

of the Republic or 1997. The date for restoring the South Manchurian Railway to China shall fall due in the 91st year of the Republic or 2002. Article 12 in the original South Manchurian Railway Agreement providing that it may be redeemed by China after 36 years from the day on which the traffic is opened, is hereby cancelled. The term of the Antung-Mukden Railway shall expire in the 96th year of the Republic or 2007."

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

Lou TSENG-TSIANG,
Minister of Foreign Affairs.

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that the places which ought to be opened as Commercial Ports by China herself, as provided in Article 6 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day, will be selected, and the regulations therefor will be drawn up, by the Chinese Government itself, a decision concerning which will be made

after consultation with the Japanese Minister. after consulting the Minister of Japan.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,

Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you state that the cities and towns to be opened in accordance with the stipulation of Article VI of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, will be selected and the regulations therefor will be drawn up, by the Chinese Government, and will be decided upon after consultation with the Japanese Minister.

In reply I beg to state that I have taken note of the same.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you stated "that the places which ought to be opened as Commercial Ports by China herself, as provided in Article 6 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day, will be selected, and the regulations therefor, will be drawn up, by the Chinese Government itself, a decision concerning which will be made after consulting the Minister of Japan."

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

SOUTH MANCHURIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that when the undermentioned mines in South Manchuria (exclusive of those mining lots which have already been

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that Japanese subjects shall, as soon as possible, investigate and select mines in the mining areas in South Manchuria

prospected or worked) have at an early date been examined and selected by Japanese subjects, permission to prospect or work such mines will be granted by the Chinese Government; but until the Mining Law becomes definitely operative, the practice at present in force shall be followed.

PROVINCE OF FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Shan Sung Kang	Hai-lung	"
T'ieh Ch'ang	T'ung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan	From Liao-yeng region	Iron to Pen-hsi

PROVINCE OF KIRIN

(Southern portion)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	Coal & Iron
Kang Yao	Kirin	Coal
Chia P'i Kou	Hua-tien	Gold

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

specified hereinunder, except those being prospected for or worked, and the Chinese Government will then permit them to prospect or work the same; but before the Mining regulations are definitely settled, the practice at present in force shall be followed.

PROVINCES: FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Sha Sung Kang	Hai-lung	"
T'ieh Ch'ang	T'ung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan	From Liaoyang region	Iron to Pen-hsi

KIRIN

(Southern portion)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	C. & I.
Kang Yao	Chi-lin (Kirin)	Coal
Chia P'i Kou	Hua-tien	Gold

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you state that when the undermentioned mines in South Manchuria (exclusive of those mining lots which have already been prospected or worked) have at an early date been examined and selected by Japanese subjects, permission to prospect or work such mines

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day respecting the opening of mines in South Manchuria, stating: "Japanese subjects shall, as soon as possible, investigate and select mines in the mining areas in South Manchuria specified hereinunder, except those being prospected for or worked, and the Chinese Government will

will be granted by the Chinese Government; but until the Mining Law becomes definitely operative, the practice at present in force shall be followed.

PROVINCE OF FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Shan Sung Kang	Hai-lung	"
T'ieh Ch'ang	Chung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan region	From Liao-yeng to Pen-hsi	Iron

PROVINCE OF KIRIN

(*Southern portion*)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	Coal & Iron
Kang Yao	Kirin	Coal
Chia P'i Kou	Hua-tien	Gold

In reply I beg to state that I have taken note of the same.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

then permit them to prospect and or work the same; but before the Mining regulations are definitely settled, the practice at present in force shall be followed.

PROVINCES: FENGTIEN

LOCALITY	DISTRICT	MINERAL
Niu Hsin T'ai	Pen-hsi	Coal
Tien Shih Fu Kou	Pen-hsi	"
Sha Sung Kang	Hai-lung	"
T'ieh Ch'ang	Tung-hua	"
Nuan Ti T'ang	Chin	"
An Shan Chan region	From Liao-yang to Pen-hsi	Iron

KIRIN

(*Southern portion*)

LOCALITY	DISTRICT	MINERAL
Sha Sung Kang	Ho-lung	C. & I.
Kang Yao	Chi-lin(Kirin)	Coal
Chia P'i Kou	Hua-tien	Gold

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,

Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING RAILWAYS AND TAXES IN SOUTH
MANCHURIA AND EASTERN INNER MONGOLIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

In the name of the Chinese Government, I have the honour to make the following declaration to your Excellency's Government:

The Chinese Government will, when it is proposed in future to build railways in South Manchuria and Eastern Inner Mongolia, employ Chinese capital for the purpose, and if foreign capital should be required,

Peking, May 25, 1915.

Monsieur le Ministre,

In the name of my Government, I have the honour to make the following declaration to your Government:

China will hereafter provide funds for building necessary railways in South Manchuria and Eastern Inner Mongolia; if foreign capital is required China may negotiate for a loan

they will negotiate first with Japanese capitalists for a loan; and further, when the Chinese Government propose to raise a loan abroad on the security of the taxes of the above-mentioned regions (excluding, however, the salt gabelle and customs duties which are already made securities for the loans of the Chinese Central Government), they will first consult Japanese capitalists.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

with Japanese capitalists first; and further, the Chinese Government, when making a loan in future on the security of the taxes in the above-mentioned places (excluding the salt and customs revenue which have already been pledged by the Chinese Central Government) may negotiate for it with Japanese capitalists first.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, in which, in the name of your Government, you make the following declaration to my Government:

The Chinese Government will, when it is proposed in future to build railways in South Manchuria and Eastern Inner Mongolia, employ Chinese capital for the purpose, and if foreign capital should be required, they will negotiate first with Japanese capitalists for a loan; and further, when the Chinese Government propose to raise a loan abroad on the security of the taxes of the above-mentioned regions (excluding, however, the salt gabelle and customs duties which are already made securities for the loans of the Chinese Central Government), they will first consult Japanese capitalists.

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date respecting railways and taxes in South Manchuria and Eastern Inner Mongolia in which you stated:

China will hereafter provide funds for building necessary railways in South Manchuria and Eastern Inner Mongolia; if foreign capital is required China may negotiate for a loan with Japanese capitalists first; and further, the Chinese Government, when making a loan in future on the security of taxes in the above-mentioned places (excluding the salt and customs revenue which has already been pledged by the Chinese Central Government) may negotiate for it with Japanese capitalists first.

In reply I beg to state that I have taken note of this declaration.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

In reply I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

Lou TSENG-TSIANG,
Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE EMPLOYMENT OF ADVISERS IN
SOUTH MANCHURIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

In the name of the Chinese Government, I have the honour to make the following declaration to your Excellency's Government:

If, in future, the Chinese Government desire to employ foreign advisers and instructors on political, financial, military and police affairs in South Manchuria, preference will be given to Japanese.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

Monsieur le Ministre,

In the name of the Chinese Government, I have the honour to make the following declaration to your Government:

Hereafter, if foreign advisers or instructors on political, financial, military or police matters are to be employed in South Manchuria, Japanese may be employed first.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, in which, in the name of your Government, you make the following declaration to my Government:

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you made the following declaration in the name of your Government:

If, in future, the Chinese Government desire to employ foreign advisers and instructors on political, financial, military and police affairs in South Manchuria, preference will be given to Japanese.

In reply I beg to state that I have taken note of this declaration.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

Hereafter if foreign advisers of instructors in political, financial, military or police matters are to be employed in South Manchuria, Japanese may be employed first.

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE EXPLANATION OF "LEASE BY NEGOTIATION" IN SOUTH MANCHURIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that it is understood that the term "lease" mentioned in Article II of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, includes leases for a long term up to thirty years and unconditionally renewable.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

Peking, May 25, 1915.

Excellency,

I have the honour to state that the term lease by negotiation contained in Article 2 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day shall be understood to imply a long-term lease of not more than thirty years and also the possibility of its unconditional renewal.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to acknowledge the receipt of Your Excellency's note

of to-day's date, in which you state that it is understood that the term "lease" mentioned in Article II of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, includes leases for a long term up to thirty years and unconditionally renewable.

In reply I beg to state that I have taken note of the same.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

of this day's date in which you state:

The term lease by negotiation contained in Article 2 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day shall be understood to imply a long-term lease of not more than thirty years and also the possibility of its unconditional renewal.

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

EXCHANGE OF NOTES RESPECTING THE ARRANGEMENT FOR POLICE LAWS
AND ORDINANCES AND TAXATION IN SOUTH MANCHURIA AND
EASTERN INNER MONGOLIA

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to state that in regard to the police laws and regulations and taxation, to which Japanese subjects are to submit according to the stipulation of Article V of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, the Chinese authorities should consult the Japanese consular officer before they are carried into effect.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that the Chinese Authorities will notify the Japanese Consul of the police laws and ordinances and the taxation to which Japanese subjects shall submit according to Article 5 of the Treaty respecting South Manchuria and Eastern Inner Monogolia signed this day so as to come to an understanding with him before their enforcement.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you state that in regard to the police laws and regulations and taxation, to which Japanese subjects are to submit according to the stipulation of Article V of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, the Chinese authorities should consult the Japanese consular officer before they are carried into effect.

In reply I beg to state that I have taken note of the same.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you state:

The Chinese Authorities will notify the Japanese Consul of the police laws and ordinances and the taxation to which Japanese subjects shall submit according to Article 5 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day so as to come to an understanding with him before their enforcement.

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,

Minister of Foreign Affairs.

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to inform your Excellency that as various preparations are requisite with respect to Articles II, III, IV, and V of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, the Chinese Government request your Government to agree to the postponement of the putting into effect of the said Articles for a period of three months from the date of its signing.

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that, inasmuch as preparations have to be made regarding Articles 2, 3, 4, and 5 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day, the Chinese Government proposes that the operation of the said Articles be postponed for a period of three months beginning from the date of the signing of the said Treaty.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

I hope your Government will agree to this proposal.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,

Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, informing me that as various preparations are requisite with respect to Articles II, III, IV, and V of the Treaty respecting South Manchuria and Eastern Inner Mongolia, signed this day, the Chinese Government desire to postpone the putting into effect of the said Articles for a period of three months from the date of its signing.

I beg to state that the Imperial Government, deeming it unavoidable in the present circumstances, agree to the desired postponement.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,

Minister of Foreign Affairs.

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of your Excellency's note of this day's date in which you stated that, "inasmuch as preparations have to be made regarding Articles 2, 3, 4, and 5 of the Treaty respecting South Manchuria and Eastern Inner Mongolia signed this day, the Chinese Government proposes that the operation of the said Articles be postponed for a period of three months beginning from the date of the signing of the said Treaty."

In reply, I beg to state that I have taken note of the same.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,

Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE MATTER OF HANYEHPING

Note

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to inform your Excellency that in view of the very

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to state that if in future the Hanyehping Company and

close relations subsisting between Japanese capitalists and the Han-Yeh-Ping Company, the Chinese Government engage to approve the agreement that may be concluded in future between the Company and Japanese capitalists for its joint undertaking, and not to confiscate it, to nationalize it without the consent of the Japanese capitalists, or to permit it to contract any foreign loan other than Japanese.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

the Japanese capitalists agree upon cooperation, the Chinese Government, in view of the intimate relations subsisting between the Japanese capitalists and the said Company, will forthwith give its permission. The Chinese Government further agrees not to confiscate the said Company, nor without the consent of the Japanese capitalists to convert it into a state enterprise, nor cause it to borrow and use foreign capital other than Japanese.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date in which you inform me that in view of the very close relations subsisting between Japanese capitalists and the Han-Yeh-Ping Company, the Chinese Government engage to approve the agreement that may be concluded in future between the Company and Japanese capitalists for its joint undertaking, and not to confiscate it, to nationalize it without the consent of the Japanese capitalists, or to permit it to contract any foreign loan other than Japanese.

In reply I beg to state that I have taken note of the same.

Peking, May 25, 1915.

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date in which you state:

If in future the Hanyephing Company and the Japanese capitalists agree upon cooperation, the Chinese Government, in view of the intimate relations subsisting between the Japanese capitalists and the said Company, will forthwith give its permission. The Chinese Government further agrees not to confiscate the said Company, nor, without the consent of the Japanese capitalists, to convert it into a state enterprise, nor cause it to borrow and use foreign capital other than Japanese.

In reply, I beg to state that I have taken note of the same.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

EXCHANGE OF NOTES RESPECTING THE FUKIEN QUESTION

Note

Peking, May 25, 1915.

Monsieur le Ministre:

As it has been reported that the Chinese Government intend to permit a foreign Power to build a shipyard, military coaling-station, naval station, and all other military establishments, on the coast of Fukien Province, or that China herself intends to build the above-mentioned establishments, with foreign capital, I have the honour to request your Excellency to be good enough to inform me whether the Chinese Government have in fact such intention.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

Peking, May 25, 1915.

Excellency,

A report has reached me to the effect that the Chinese Government has the intention of permitting foreign nations to establish on the coast of Fukien Province, dock-yards, coaling stations for military use, naval bases, or to set up other military establishments; and also of borrowing foreign capital for the purpose of setting up the above-mentioned establishments.

I have the honour to request that Your Excellency will be good enough to give me reply stating or not the Chinese Government really entertain such an intention.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

LOU TSENG-TSIANG,
Minister of Foreign Affairs.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

In reply to your Excellency's note of to-day's date, I have the honour to make the declaration that the Chinese

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to acknowledge the receipt of Your Excellency's note of this day's date which I have noted.

In reply I beg to inform you that the Chinese Government hereby de-

Government will in no case permit a foreign Power to build a shipyard, military coaling-station, naval station, or any other military establishment, nor do they intend to build the above-mentioned establishments with foreign capital.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,

Japanese Minister.

clare that it has given no permission to foreign nations to construct, on the coast of Fukien Province, dock-yards, coaling stations for military use, naval bases, or to set up other military establishments; nor does it entertain an intention of borrowing foreign capital for the purpose of setting up the above-mentioned establishments.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,

Japanese Minister.

EXCHANGE OF NOTES RESPECTING THE RESTORATION OF THE LEASED TERRITORY OF KIAOCHOW BAY

Note

Peking, May 25, 1915.

Monsieur le Ministre:

In the name of the Imperial Government, I have the honour to make the following declaration to your Excellency's Government:

If, upon the conclusion of the present war, the Japanese Government should be given an absolutely free disposal of the leased territory of Kiaochow Bay, they will return the said leased territory to China subject to the following conditions:

1. Opening of the whole of Kiaochow as commercial port;
2. Establishment of a Japanese settlement in the locality to be designated by the Japanese Government;
3. Establishment, if desired by the Powers, of an international settlement;

Peking, May 25, 1915.

Excellency,

In the name of my Government I have the honour to make the following declaration to the Chinese Government:

When, after the termination of the present war, the leased territory of Kiaochow Bay is completely left to the free disposal of Japan, the Japanese Government will restore the said leased territory to China under the following conditions:

1. The whole of Kiaochow Bay to be opened as a Commercial Port.
2. A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.
3. If the foreign Powers desire it, an international concession may be established.

4. Arrangements to be made, before the return of the said territory is effected, between the Japanese and Chinese Governments, with respect to the disposal of German public establishments and properties and with regard to the other conditions and procedures.

I avail, etc.

(signed) EKI HIOKI.

His Excellency

Mr. LU CHENG-HSIENG,
Minister of Foreign Affairs.

4. As regards the disposal to be made of the buildings and properties of Germany and the conditions and procedure relating thereto, the Japanese Government and the Chinese Government shall arrange the matter by mutual agreement before the restoration.

I avail, etc.,

(Signed) HIOKI EKI.

His Excellency,

Lou TSENG-TSIANG,
Minister of Foreign Affairs.

Reply

Peking, May 25, 1915.

Monsieur le Ministre:

I have the honour to acknowledge the receipt of your Excellency's note of to-day's date, in which, in the name of your Government, you make the following declaration to my Government:

If, upon the conclusion of the present war, the Japanese Government should be given an absolutely free disposal of the leased territory of Kiaochow Bay, they will return the said leased territory to China subject to the following conditions:

1. Opening of the whole of Kiaochow as commercial port;
2. Establishment of a Japanese settlement in the locality to be designated by the Japanese Government;
3. Establishment, if desired by the Powers, of an international settlement;

Peking, May 25, 1915.

Monsieur le Ministre,

I have the honour to acknowledge the receipt of your Excellency's note of this day's date in which you made the following declaration in the name of your Government:

When, after the termination of the present war, the leased territory of Kiaochow Bay is completely left to the free disposal of Japan, the Japanese Government will restore the said leased territory to China under the following conditions:

1. The whole of Kiaochow Bay to be opened as a Commercial Port.
2. A concession under the exclusive jurisdiction of Japan to be established at a place designated by the Japanese Government.
3. If the foreign Powers desire it, an international concession may be established.

4. Arrangements to be made, before the return of the said territory is effected, between the Japanese and Chinese Governments, with respect to the disposal of German public establishments and properties and with regard to the other conditions and procedures.

In reply I beg to state that I have taken note of this declaration.

I avail, etc.

(signed) LU CHENG-HSIENG.

His Excellency

Mr. EKI HIOKI,
Japanese Minister.

4. As regards the disposal to be made of the buildings and properties of Germany and the conditions and procedure relating thereto, the Japanese Government and the Chinese Government shall arrange the matter by mutual agreement before the restoration.

In reply, I beg to state that I have taken note of this declaration.

I avail, etc.,

(Signed) LOU TSENG-TSIANG.

His Excellency,

HIOKI EKI,
Japanese Minister.

CHINESE OFFICIAL STATEMENT

Official Statement by the Chinese Government Respecting the Sino-Japanese Negotiations now Brought to a Conclusion by China's Compliance with the Terms of Japan's Ultimatum
Delivered on May 7, 1915

THE ULTIMATUM

At three o'clock on the afternoon of May 7, 1915, His Excellency the Japanese Minister in Peking delivered to the Chinese Government in person an Ultimatum from the Imperial Japanese Government, with an accompanying Note of seven articles. The concluding sentences of the Ultimatum read thus:

The Imperial Government hereby again offer their advice and hope that the Chinese Government, upon this advice, will give a satisfactory reply by six o'clock p. m. on the ninth day of May. It is hereby declared that if no satisfactory reply is received before or at the specified time the Imperial Government will take such steps as they deem necessary.

The Chinese Government—having received and accepted the Ultimatum—feel constrained to make a frank and plain statement of the facts connected with the negotiations which were abruptly terminated by this drastic action on the part of Japan.

STATEMENT FOR CHINA

The Chinese Government have constantly aimed, as they still aim, at consolidating the friendship existing between China and Japan, and, in this period of travail in other parts of the world, have been particularly solicitous of preserving peace in the Far East. Unexpectedly on January 18, 1915, His Excellency the Japanese Minister in Peking, in pursuance of instructions from his Government, adopted the unusual procedure of presenting to His Excellency the President of the Republic of China a list (hereto appended¹) of twenty-one momentous demands, arranged in five Groups. The first four Groups were each introduced by a preamble, but there was no preamble or explanation to the Fifth Group. In respect of the character of the demands in this Group, however, no difference was indicated in the document between them and those embodied in the preceding Groups.

¹See *ante*, p. 2.—ED.

Although there was no cause for such a *démarche*, the Chinese Government, in deference to the wishes of the Imperial Japanese Government, at once agreed to open negotiations on those articles which it was possible for China to consider, notwithstanding that it was palpable that the whole of the demands were intended to extend the rights and interests of Japan without securing a *quid pro quo* of any kind for China.

NEGOTIATIONS AND CONFERENCES

China approached the pending conferences in a spirit of utmost friendliness and with a determination to deal with all questions frankly and sincerely. Before negotiations were actually commenced the Japanese Minister raised many questions with regard to the number of delegates proposed to represent China, the number of conferences to be held in each week, and the method of discussion. The Chinese Government, though their views differed from those of the Japanese Minister, yielded in all these respects to his contentions in the hope of avoiding any delay in the negotiations. The objections of the Japanese Minister to the customary recording and signing of the minutes of each conference, which the Chinese Government suggested as a necessary and advisable precaution, as well as one calculated to facilitate future reference, were also accepted. Nor did the Chinese Government retaliate in any way when in the course of the negotiations the Japanese Minister twice suspended the conference, obviously with the object of compelling compliance with his views on certain points at the time under discussion. Even when delay was threatened owing to the unfortunate injury sustained by the Japanese Minister as a result of a fall from his horse, the Chinese delegates, in order to avert interruption, proposed that the conferences should be continued at the Japanese Legation, which proposal was accepted. Later, when on March 22, the Japanese Government despatched large bodies of troops to South Manchuria and Shantung for the ostensible purpose of relieving the garrison—whose term of service had not then expired—the Japanese Minister stated at the conference, in reply to a direct question as to when the retiring troops would be withdrawn, that this would not be done until the negotiations could be brought to a satisfactory conclusion. Although this minatory step caused much excitement, indignation and alarm on the part of the Chinese people and made it difficult for the Chinese Government to continue the conferences, they successfully exerted efforts to avert a rupture and thus enabled the negotiations smoothly to proceed. All this demonstrates that the Chinese Government were dominated by a sincere desire to expedite the progress of the conferences; and that the Japanese Government recognized this important fact was made clear on March 11 when the Japanese Minister conveyed to the Chinese Govern-

ment an expression of his Government's appreciation of China's frankness and sincerity in the conduct of the negotiations.

From February 2, when the negotiations were commenced, to April 17, twenty-four conferences were held in all. Throughout this whole period the Chinese Government steadfastly strove to arrive at an amicable settlement and made every concession possible.

Of the twenty-one demands originally submitted by Japan, China agreed to fifteen, some in principle and some textually, six being initialled by both parties.

IN THE MATTER OF THE DEMANDS TO WHICH CHINA AGREED

KIAOCHOW AND THE SHANTUNG GROUP

*At the first conference, held on February 2, China agreed in principle to the first article of the Shantung Group of demands which provides that China should give her assent to the transfer of Germany's rights in Shantung to Japan. The Chinese Government maintained at first that the subject of this demand related to the *post bellum* settlement, and, therefore, should be left over for discussion by all the parties interested at the Peace Conference. Failing to persuade the Japanese Minister to accept this view, the Chinese Government agreed to this demand in principle, and made certain supplementary proposals.*

One of the supplementary proposals was in these terms:

The Japanese Government declares that when the Chinese Government give their assent to the disposition of the interests above referred to, Japan will restore the Leased Territory of Kiaochow to China, and further recognizes the right of the Chinese Government to participate in the negotiations referred to above between Japan and Germany.

The provision for a declaration to restore Kiaochow was clearly not a demand on Japan but only a reiteration of Japan's voluntary statement in her Ultimatum to Germany on August 15, 1914 (a copy of which was officially transmitted to the Chinese Government for perusal on August 15) and repeated in public statements by the Japanese Premier. Appreciating the earnest desire of Japan to maintain the peace of the Far East and to cement her friendship with China, as evidenced by this friendly offer, the Chinese Government left the entire question of the conditions of restoration to be determined by Japan, and refrained from making any references thereto in the supplementary proposal. The suggestion relating to participation in the Conference between Japan and Germany was made in view of the fact that Shantung, the object of future negotiations between Japan and Germany, is a Chinese Province, and therefore China is the Power most concerned in the future of that territory.

Another supplementary proposal suggesting the assumption by Japan of responsibility for indemnification of the losses arising out of the military

operations by Japan in and about the leased territory of Kiaochow was necessitated by the fact that China was neutral *vis-à-vis* the war between Japan and Germany. Had China not inserted such a provision, her position in relation to this conflict might have been liable to misconstruction—the localities in which the operations took place being a portion of China's territory—and might also have exposed herself to a claim for indemnification of losses for which she was in no way responsible.

In a further supplementary proposal the Chinese Government suggested that, prior to the restoration of the Kiaochow territory to China, the Maritime Customs, the telegraphs and post offices should be continued to be administered as heretofore; that the military railway, the telegraph lines, etc., which were installed by Japan to facilitate her military operations, should be removed forthwith; that the Japanese troops now stationed outside of the leased territory should be first withdrawn, and those within the territory should be recalled at the time when Kiaochow is returned to China. Shantung being a Chinese Province, it was natural for China to be anxious concerning the restoration of the *statu quo ante bellum*. Although the Chinese Government were confident that the Japanese Government would effect such restoration in pursuance of their official declaration, it was necessary for China, being neutral throughout the war, to place these matters on record.

At the third conference, held on February 22, China agreed to the second demand in the Shantung Group not to cede or lease to any Power any territory or island or land on the sea border of Shantung.

At the fifth conference, held on February 28, China agreed to give Japan the preference, provided Germany abandoned the privilege, to supply the capital for the construction of a railway from Chefoo or Lungkow to connect with the Kiaochow-Tsinanfu railway, in the event of China deciding to build that railway with foreign capital.

At the sixth conference, held on March 3, China, in the interest of foreign trade, agreed to open certain important cities in Shantung as trade marts under regulations approved by the Japanese Government, although this was a demand on the part of Japan for privileges additional to any that hitherto had been enjoyed by Germany and was not an outcome of the hostilities between Japan and Germany, nor, in the opinion of the Chinese Government, was its acceptance essential to the preservation of peace in the Far East.

EXTENSION OF RAILWAY LEASES

At the eighth conference, held on March 9, China agreed (1) to the extension of the term of the lease of Dairen and (2) Port Arthur, and (3) of the South Manchuria and (4) Antung-Mukden railways, all to 99 years.

Owing to the bitter experiences which China sustained in the past in connection with the leased portions of her territory, it has become her settled policy not to grant further leases nor to extend the term of those now in existence. Therefore, it was a significant indication of China's desire to meet Japan's wishes when she agreed to this exceptional departure from her settled policy.

HANYEHPING MINES

At the same conference the Chinese Government also agreed to refrain from raising objections to the principle of co-operation in the Hanyehping Company, if the latter should arrive at an agreement in this respect with the Japanese capitalists concerned. With reference to this question it was pointed out to the Japanese Minister that, in the Provisional Constitution of the Republic of China, Chinese subjects are guaranteed the right of protection of their property and freedom to engage in any lawful occupation. The Government was precluded, therefore, from interfering with the private business of the people, and could not find any other solution than the one thus agreed to.

NON-ALIENATION OF CHINA'S COASTS

As regards the single article of the Fourth Group, and the preamble thereto, the Chinese Government held that they were inconsistent with Chinese sovereignty. However, China, at this conference, expressed her readiness to meet the wishes of Japan so far as it was possible without infringing her sovereignty, and agreed to make a voluntary pronouncement that she would not alienate any portion of her coast line.

SOUTH MANCHURIAN RAILWAYS

In connection with the South Manchuria Railway it is worthy of note that the provision regarding the repurchase period in the agreement (36 years from 1902) was not mentioned in Japan's original proposal. Subsequently the Japanese Government, on the ground that the meaning of this provision was not clear, requested China to agree to its cancellation. To this request the Chinese Government acceded, though well aware that the proposed change could only benefit Japan. China thus relinquished the right to repurchase the railway at the expiration of another 23 years.

In connection with the Antung-Mukden Railway the article, which was originally initialled at the conference, provided for the reversion of the railway to China at the end of 99 years without payment, but, at the subsequent meeting, the Japanese Minister requested that the reference to

the reversion without payment be deleted from the initialled article. In acceding to the Japanese Minister's request, China again showed her sincere desire to expedite matters and to meet Japan's wishes even at the sacrifice of a point in her favour, to which Japan had already agreed.

At the eleventh conference, held on March 16, China agreed to give Japan preference in regard to loans for railway construction in South Manchuria.

At the thirteenth conference, held on March 23, China agreed (1) to the amendment of the Kirin-Changchun Railway loan agreement; (2) to give preference to Japan if the revenue of South Manchuria were offered as security for loans; (3) to give preference to Japanese in the event of the employment of advisers for South Manchuria; (4) to grant to Japanese the right of mining in nine specified areas in South Manchuria.

SOUTH MANCHURIAN MINES

In its original form the demand with reference to mining in South Manchuria tended to create a monopoly for Japanese subjects and, therefore, was entirely inconsistent with the principle of equal opportunity. The Chinese Government explained that they could not, in view of the treaty rights of other Powers, agree to this monopoly, but they readily gave their acceptance when Japan consented to the modification of the demand so as to mitigate its monopolistic character.

In connection with the Kirin-Changchun Railway the amendment agreed to involves a fundamental revision of the original agreement on the basis of the existing railway loan contracts concluded by China with other foreign capitalists, as well as an engagement on the part of the Chinese Government to extend to this railway any better terms which may be hereafter accorded to other railway concessionaires in China. The capital of this railway was originally fifty per cent Chinese and fifty per cent Japanese. The effect of this undertaking is to transfer the capital originally held by the Chinese, as well as the full control and administration of the railway, to the Japanese.

FUKIEN PROVINCE

At the twenty-first conference, held on April 10, China agreed, in regard to the demands concerning Fukien Province, to give Japan an assurance in accordance with Japan's wishes at a future time.

SETTLEMENT RIGHTS AND LAND OWNERSHIP

As regards demands 2 and 3 in the Manchurian Group, relating to the ownership of land for trade, manufacture, and agricultural enterprises,

as well as for the right of settlement in the interior of South Manchuria, the Chinese Governement, after discussion at several conferences, agreed to them in principle, but desired to introduce certain amendments concerning the control and protection of the Japanese subjects who might avail themselves of these rights. The course of the negotiations in connection with these amendments will be referred to subsequently.

IN THE MATTER OF THOSE DEMANDS TO WHICH CHINA COULD NOT AGREE

Of the twenty-one original demands there were six, as previously mentioned, to which China could not agree on the ground that they were not proper subjects for international negotiations, conflicting as they did with the sovereign rights of China, the treaty rights of other Powers, and the principle of equal opportunity.

HANYEHPING MINING AREA

Thus, for example, the second article of the Hanyehping question in the original Third Group in particular seriously affected the principle of equal commercial and industrial opportunity.

CHINA'S POLICE ADMINISTRATION

The proposal that there should be joint administration by China and Japan of the police in China was clearly an interference with the Republic's domestic affairs, and consequently an infringement of her sovereignty. For that reason the Chinese Government could not take the demand into consideration. But when it was explained by the Japanese Minister that this referred only to South Manchuria, and he suggested that his Government would be satisfied if China agreed to engage Japanese as police advisers for that territory, the Chinese Government accepted the suggestion.

SCHOOLS, HOSPITALS AND BUDDHIST PROPAGANDA

The two articles relating to the acquisition of land for schools, hospitals, and temples, as well as to the right of missionary propaganda, would, in the opinion of the Chinese Government, have presented grave obstacles to the consolidation of the friendly feeling subsisting between the two people. The religions of the two countries are identical and therefore the need for a missionary propaganda to be carried on in China by Japanese does not exist. The natural rivalry between Chinese and Japanese followers of the same faith would tend to create incessant disputes and friction. Whereas Western missionaries live apart from the Chinese communities among

which they labour, Japanese monks would live with the Chinese, and the similarity of their physical characteristics, their religious garb, and their habits of life would render it impossible to distinguish them for purposes of affording the protection which the Japanese Government would require should be extended to them under the system of extra-territoriality now obtaining in China. Moreover, a general apprehension exists among the Chinese people that these peculiar conditions favouring conspiracies for political purposes might be taken advantage of by some unscrupulous Chinese.

THE YANGTZE VALLEY RAILWAYS

The demand for railway concessions in the Yangtze Valley conflicted with the Shanghai-Hangchow-Ningpo Railway Agreement of March 6, 1908, the Nanking-Changsha Railway Agreement of March 31, 1914, and the engagement of August 24, 1914, giving preference to British firms for the projected line from Nanchang to Chaochowfu. For this reason the Chinese Government found themselves unable to consider the demand, though the Japanese Minister, while informed of China's engagements with Great Britain repeatedly pressed for its acceptance.

APPOINTMENT OF ADVISERS

In respect to the demand for the appointment of influential Japanese to be advisers in political, financial and military affairs, the policy of the Chinese Government in regard to the appointment of advisers has been similar to that which has presumably guided the Japanese Government in like circumstances, namely the selection of the best qualified men irrespective of their nationality. As an indication of their desire to avail themselves of the services of eminent Japanese, one of the earliest appointments made to an advisership was that of Dr. Ariga, while later on Dr. Hirai and Mr. Nakayama were appointed to the Ministry of Communications.

It was considered that the demand that Japanese should be appointed in the three most important administrative departments, as well as the demand for the joint control of China's police, and the demand for an engagement to purchase a fixed amount of arms and ammunition from Japan or to establish joint arsenals in China, so clearly involved the sovereignty of the Republic that the Chinese Government were unable even to consider them.

For these reasons the Chinese Government, at the very outset of the negotiations, declared that they were unable to negotiate on the demands; but, in deference to the wishes of the Japanese Minister, the Chinese delegates consented to give the reasons for declining to enter into a discussion of them.

IN THE MATTER OF THE QUESTIONS OF DISPUTE INVOLVED IN SOME OF
THE FOREGOING DEMANDS

The demand by Japan for the right of her subjects in South Manchuria to lease or own land, and to reside and travel, and to engage in business or manufacture of any kind whatever was deemed by the Chinese Government to obtain for Japanese subjects in this region a privileged status beyond the terms of the treaties existing between the two nations, and to give them a freedom of action which would be a restriction of China's sovereignty and a serious infringement of her administrative rights. Should Japanese subjects be granted the right of owning land, it would mean that all the landed property in the region might fall into their hands, thereby endangering China's territorial integrity. Moreover, residence in the interior was incompatible with the existence of extra-territoriality, the relinquishment of which is necessary to the actual enjoyment of the privilege of inland residence, as evidenced in the practice of other nations.

EXTRATERRITORIALITY IN SOUTH MANCHURIA

Japan's unconditional demand for the privilege of inland residence accompanied with a desire to extend extraterritoriality into the interior of China and to enable Japanese subjects to monopolize all the interests in South Manchuria was also palpably irreconcilable with the principle of equal opportunity. For this reason the Chinese Government were, in the first instance, unable to accept this demand as a basis of negotiation. Their profound regard for the friendly relations of the two countries, however, persuaded them to exert their utmost efforts, in spite of all the inherent difficulties, to seek a solution of a question which was practically impossible to solve. Knowing that the proposal made by Japan was incompatible with treaties they nevertheless sought to meet her wishes within the limits of treaties. Accordingly they submitted a counter-proposal to open more places in South Manchuria to international trade and to establish Sino-Japanese joint reclamation companies.

This suggestion was made in the belief that the places to which Japanese subjects would desire to resort for purposes of trade, could not be other than important localities; if all these localities were opened to commerce, then they could reside, trade, and lease land there for joint reclamation. Thus Japanese subjects might enjoy the essence of the privilege of inland residence and would still be able to reconcile their position with China's treaties and the principle of equal opportunity.

After the Japanese Government declined to accept this suggestion, China withdrew it and replaced it with an amendment to the original articles. It was proposed in this amendment to grant to Japanese subjects the extra-

treaty privilege of inland residence with the provisos that Japanese subjects in places outside of trade marts should observe Chinese police regulations and pay taxes in the same manner as Chinese; and that civil and criminal cases involving such Japanese subjects should be adjudicated by Chinese Authorities, the Japanese Consul attending merely to watch the proceedings. This suggestion was not an innovation: it was based upon the *modus operandi* now in force as regards the Korean settlers in inland districts in Chientao. But the Japanese Government again declined to accept it.

The Chinese Government thereupon made a third proposal along the line of what constitutes the present practice in Turkey, making a distinction, however, in favour of Japanese subjects, in the exercise of jurisdiction over civil and criminal cases. This was once more objected to by the Japanese Government.

Then the Chinese Government proposed to concede still another step—the fourth endeavor to meet Japan's wishes. They proposed to agree to the full text of Articles 2 and 3 relative to the question of inland residence, except that "the right of owning land" was changed into "the right of leasing land" and to the phrase "cultivating land" was added this clause: "the regulations for which shall be determined separately;" and, further, to add a supplementary article which embodied a *modus operandi* which the Chinese Government had constrained themselves to make out of a desire to come to a settlement over this question. The view advanced in this supplementary article was based upon the Japanese Minister's declaration made on March 6, 1915, that a separate article embodying some compromise might be added to the original articles 2 and 3, for the purpose of avoiding any conflict with China's sovereignty or the system established by treaties.

These suggestions made by the Chinese Government were not accepted by Japan.

EASTERN INNER MONGOLIA

As regards Eastern Inner Mongolia not only have no treaties been entered into with Japan concerning this region, but also the people are so unaccustomed to foreign trade that the Chinese Government invariably feel much anxiety about the safety of foreigners who elect to travel there. The Chinese Government, therefore, considered that it would not be in the interest of foreigners to open the whole territory to them for residence and commerce, and on these grounds based their original refusal to place Eastern Inner Mongolia on the same footing as South Manchuria. Still, their desire to meet the wishes of the Japanese Government eventually prompted them to offer to open a number of places in the region to foreign trade.

IN THE MATTER OF JAPAN'S REVISED DEMANDS

The foregoing is an outline of the negotiations up to April 17. It was hoped by the Chinese Government that the Japanese Government, in view of the great concessions made by China at the conferences held up to this time, would see a way of effecting an amicable settlement by modifying their position on certain points. In regard to these it had, by this time, become manifest that China would encounter almost insuperable difficulties in making further concessions.

The Japanese Government, however, suspended the negotiations until April 26 when they surprised the Chinese Government by presenting a new list of twenty-four demands (which is hereto appended¹), and requested the Chinese Government to accord their acceptance without delay, adding that this was their final proposal. At the same time the Japanese Minister stated that the Japanese Government would restore the leased territory of Kiaochow to China at an opportune time in the future and under proper conditions, if the Chinese Government agreed to the new list of twenty-four demands without modification.

In this new list although the term "special position" in the preamble of the Manchurian Group was changed to "economic relation," and although the character of the articles in the original Fifth Group was altered from Demands to a recital of alleged statements by the Chinese Foreign Minister, four new demands were introduced concerning Eastern Inner Mongolia. In deference to the wishes of the Japanese Government, the Chinese Government gave the revised list the most careful consideration; and being sincerely desirous of an early settlement offered new concessions in their reply presented to the Japanese Minister on May 1. (Annexed.²)

CHINA'S REPLY TO JAPAN'S REVISED DEMANDS

In this reply Chinese Government reinserted the proposal in reference to the retrocession of Kiaochow, which they advanced at the first conference on February 2, and which was postponed at the request of the Japanese Minister. This, therefore, was in no sense a new proposal.

The Chinese Government also proposed to agree to three of the four articles relating to Eastern Inner Mongolia. There was some difficulty in determining a definition of the boundaries of Eastern Inner Mongolia—this being a new expression in Chinese geographical terminology—but the Chinese Government, acting upon a statement made at previous conference by the Japanese Minister that the Japanese Government meant the region under Chinese administrative jurisdiction, and taking note, in the list presented by the Japanese Minister, of the names of places in Eastern Inner Mongolia to be opened to trade, inferred that the so-called Eastern Inner Mongolia is that part of Inner Mongolia which is under the

¹See *ante*, pp. 10 *et seq.*—ED.

²See *ante*, pp. 23 *et seq.*—ED.

jurisdiction of South Manchuria and the Jehol intendency; and refrained from placing any limitations upon the definition of this term.

The Chinese Government also withdrew their supplementary proposal reserving the right of making regulations for agricultural enterprises to be undertaken by Japanese settlers in South Manchuria.

In respect of the trial of cases involving land disputes between Japanese only, or between Japanese and Chinese, the Chinese Government accorded to the Japanese Consul the right of deputing an officer to watch the proceedings.

The Chinese Government also agreed to accept the suggestion of the Japanese Government to modify the term "police law and ordinances" into "police rules and regulations," thereby limiting the extent of control which the Chinese would have over Japanese subjects.

As regards the Hanyehping demand, the Chinese Government accepted the draft made by the Japanese Government, embodying an engagement by the Chinese Government not to convert the Company into a State-owned concern, nor to confiscate it, nor to force it to borrow foreign capital other than Japanese.

In respect of the Fukien question the Chinese Government also agreed to give an assurance in the amplified form suggested by the Japanese Government that the Chinese Government had not given their consent to any foreign nations to construct a dockyard, or a coaling station, or a naval base, or any other military establishment along the coast of Fukien Province; nor did they contemplate borrowing foreign capital for the foregoing purposes.

Having made these concessions which practically brought the views of China into line with those of Japan, and having explained in note accompanying the reply the difficulty for China to make further concessions, the Chinese Government hoped that the Japanese Government would accept their reply of May 1, and thus bring the negotiations to an amicable conclusion.

JAPAN DISSATISFIED

The Japanese Government, however, expressed themselves as being dissatisfied with China's reply, and withdrew the conditional offer to restore Kiaochow to China made on April 26. It was further intimated that if the Chinese Government did not give their full compliance with the list of twenty-four demands, Japan would have recourse to drastic measures.

OVERTURES REJECTED

Upon receiving this intimation the Chinese Government, inspired by the conciliatory spirit which had been predominant from the very beginning of the negotiations and desirous of avoiding any possible rupture in the rela-

tions of the two countries, made a supreme effort to meet the situation, and represented to the Japanese Government that they would reconsider their position and make another attempt to find a solution that would be more satisfactory to Japan, in respect to those articles which China had declared could not be taken up for consideration, but to which Japan attached great importance. Even in the evening of May 6, after the Japanese Minister had notified the Chinese Government that the Ultimatum had arrived in Peking, the Chinese Government in the interest of peace still exerted efforts to save the situation by offering to meet Japan's wishes.

These overtures were again rejected, and thus was exhausted the means at the disposal of the Chinese Government to prevent an impasse.

It is plain that the Chinese Government proceeded to the fullest extent of possible concession in view of the strong national sentiment manifested by the people throughout the whole period of negotiations. All that the Chinese Government strove to maintain was China's plenary sovereignty, the treaty rights of foreign Powers in China and the principle of equal opportunity.

To the profound regret of the Chinese Government, however, the tremendous sacrifices which they had shown themselves ready to make, proved unavailing, and an Ultimatum (the text of which is appended¹) was duly delivered to them by the Japanese Minister at three o'clock on the afternoon of May 7.

ALLEGATIONS AGAINST CHINA

As to the allegations made in the Ultimatum against China the Chinese Government hope that the foregoing outline of the history of the negotiations constitutes clear, dispassionate, and complete reply.

In considering the nature of the course they should take with reference to the Ultimatum the Chinese Government was influenced by a desire to preserve the Chinese people, as well as the large number of foreign residents in China, from unnecessary suffering and also to prevent the interest of friendly Powers from being imperiled. For these reasons the Chinese Government were constrained to comply in full with the terms of the Ultimatum (the reply being hereto appended²), but in complying the Chinese Government disclaim any desire to associate themselves with any revision, which may thus be effected, of the various conventions and agreements concluded between other Powers in respect of the maintenance of China's territorial independence and integrity, the preservation of the *status quo*, and the principle of equal opportunity for the commerce and industry of all nations in China.

¹See *ante*, pp. 31 *et seq.*—Ed.

²See *ante*, pp. 38 *et seq.*—Ed.

